

DAILY REPORT

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HUANG HUA SPEAKS AT UN DISARMAMENT SESSION

OW112357 Beijing XINHUA Domestic Service in Chinese 1721 GMT 11 Jun 82

[Text] United Nations, 11 June (XINHUA) -- Huang Hua, chairman of the Chinese Government delegation, in his speech today at the second special session of the UN General Assembly devoted to disarmament, expounded China's principled stand on disarmament and put forward the principal measures for an immediate end to the arms race and for disarmament on behalf of the Chinese Government.

The Chinese state councillor and foreign minister pointed out that since the 1978 first special session of the UN General Assembly on disarmament, the world situation has remained in tension. "This has been mainly due to the acts of expansion and aggression by the hegemonists and to the intensified arms race and fierce rivalry between the two superpowers. One superpower has been pressing forward to expand its sphere of influence. Not wishing to be outdone, the other superpower has exerted its utmost to build up its strength and to try to regain its former position of world supremacy. The two superpowers have been contending for world hegemony. Their rivalry extends to all parts of the globe, thus threatening the independence and sovereignty of small and medium-sized countries as well as world peace and security. As a result, more hot spots have been created, thereby aggravating the already tense international situation."

He said that in the past four years, no real progress has been made in disarmament. "This is because the two superpowers are not at all sincere about disarmament and have instead stepped up arms expansion. They have started a new round of the arms race, each striving to improve or upgrade its own strategic and theater nuclear weapons in order to gain superiority over the other. At the same time, they have been developing conventional armaments, vying for the control of strategic areas and stepping up war preparations."

"In recent years," he said, "the people of Europe, Japan, the United States and elsewhere have launched a mass movement against the nuclear arms race of the two superpowers and for preventing nuclear war. We fully understand and sympathize with their concern for peace and for the prevention of war."

He said: "As the arms race intensifies and the menace of war increases, the Third World and other small and medium-sized countries demand all the more strongly that progress be made in disarmament and that results be achieved at this session. They are fully entitled to do so because they are always the first to suffer from the two superpowers' rivalry and from the aggression and expansion by the hegemonists."

Talking about the two superpowers' professed desire for disarmament and their various proposals or programs, Huang Hua said: "Now one superpower stresses that an arms freeze should come first while the other insists on priority for arms reduction. They appear to be talking about the need to maintain a balance of arms. In fact, each side wants to attain supremacy and to strengthen its own position in the contest for world hegemony by means of a new round of the arms race."

Huang Hua emphatically pointed out that the posturing on the part of one superpower is particularly noteworthy. Every year it produces an assortment of proposals or plans which are merely variations on the same theme. But it has taken no concrete action. One is bound to ask the following questions:

Who pledged at the last special session of the UN General Assembly on disarmament that he 'has never unleashed war and will never do so' and turned around only 1 year later to send 100,000 troops to invade and occupy Afghanistan? Were these troops sent there on a sightseeing tour instead of a combat mission?

"Why is it that this superpower which talks glibly about prohibiting the use of nuclear weapons has always refused to undertake unconditionally to 'renounce the use of nuclear weapons' against nonnuclear states?

"If this superpower is truly willing to implement 'confidence-building measures' in Asia, why does it not establish its credibility by withdrawing its troops immediately and unconditionally from Afghanistan and stopping its support for the aggression against Kampuchea?

"This superpower has been describing 'detente' in such glowing terms. Why then has it effected such a dramatic increase in its nuclear and conventional armaments precisely during the so-called 'decade of detente'? Was it trying to promote 'detente' by means of arms expansion, or it was carrying out arms expansion under the camouflage of 'detente'?"

He said: "Any cursory comparison between this superpower's pronouncements and its actions will provide the right answer." The posturing on the part of this superpower "is merely trying to cover up the truth, deceive the people of the world and divert their attention from the objectives of disarmament so that it can press on with its hegemonistic policies of nuclear arms expansion, blackmail and war preparations."

Huang Hua said: "The Chinese Government and people have always stood for genuine disarmament and made positive efforts toward progress in disarmament. Since the 1960's, the Chinese Government has on a number of occasions put forward its views and proposals on disarmament and on strengthening international security. We have always opposed the arms race and the threat or use of force in international relations, and we are against any country carrying out aggression or expansion by means of superior military strength."

We are in favor of Soviet-U.S. talks on nuclear disarmament, hoping that the two countries would take a serious and responsible attitude to reach agreement genuinely helpful to limiting the nuclear arms race and preventing the threat of a nuclear war, and that they would not follow the same old road which has, instead of leading to the reduction of nuclear armament, left much room for improving their nuclear weapons."

Huang Hua reiterated the basic principles followed by the Chinese Government with regard to disarmament and put before the session the principal measures for an immediate end to the arms race and for disarmament on behalf of the Chinese Government.

Huang Hua said: "The central contents of the measure are: An agreement should be reached by all the nuclear states not to use nuclear weapons. Pending such an agreement, each nuclear state should without attaching any condition, undertake not to use nuclear weapons against nonnuclear states and nuclear weapon free zones, and not to be the first to use such weapons against each other at any time and under any circumstances."

"The Soviet Union and the United States should stop testing, improving or manufacturing nuclear weapons and should reduce by 50 percent all types of their nuclear weapons and means of delivery. After that, all other nuclear states should also stop testing, improving or manufacturing nuclear weapons and should reduce their respective nuclear arsenals according to an agreed proportion and procedure."

"Conventional disarmament should be effected simultaneously with nuclear disarmament. As a first step, all states should undertake not to use conventional armaments for intervention or aggression against and military occupation of any country."

Explaining these measures, he said: The first step in nuclear disarmament should be the prohibition of the use of nuclear weapons to be followed by their progressive reduction and ultimate destruction. "If the nuclear states refrain from threatening nonnuclear states and undertake unconditionally not to use nuclear weapons against them, then these states will have no need to possess nuclear weapons or seek foreign nuclear protection. If a nuclear state does not first ask itself whether it is posing any threat to nonnuclear states but holds them responsible and demand that they undertake not to threaten it, wouldn't that be as absurd as putting the cart before the horse?"

He continued: "It is our view that conventional disarmament should be effected simultaneously with nuclear disarmament." This is because one can only assume two circumstances in which a nuclear war may break out: Either the nuclear powers engage each other in a nuclear war from the very beginning, or they may begin by a conventional war which may escalate to a nuclear conflict. If we direct our efforts solely to the prevention of a nuclear war and relax our vigilance against a conventional war, that may still leave open the possibility of the outbreak of a nuclear war. The superpowers often use their conventional armaments as a means of aggression and expansion.

He stressed that the two superpowers should be the first to carry out substantial arms reduction in nuclear as well as conventional armaments. Since countries vary in size and military strength, we should require the stronger states to reduce their armaments so as to ensure the security of the weaker ones, rather than demand equal and simultaneous reduction of arms by all countries.

Huang Hua said: "The views that I have just outlined indicate the obligation China is prepared to undertake for disarmament. In point of fact, the Chinese Government has long repeatedly pledged to the world that at no time and under no circumstances will China be the first to use nuclear weapons and that it undertakes unconditionally not to use such weapons against nonnuclear states. This amply shows the good faith of the Chinese Government on the question of disarmament. I would like to announce here that if the two superpowers take the lead in halting the testing, improving or manufacturing of nuclear weapons and in reducing their nuclear weapons by 50 percent, the Chinese Government is ready to join all other nuclear states in undertaking to stop the development and production of nuclear weapons and to further reduce and ultimately destroy them altogether."

Huang Hua said: "The basic principles of the Chinese Government concerning disarmament and the essential measures for disarmament I have just outlined emanate from China's foreign policy of peace." "The fundamental guidelines of China's foreign policy are: Unite with the Third World and all other peace-loving countries; oppose hegemonism; and maintain world peace."

"China needs an extended period of stable and peaceful international environment in order to attain the lofty goal of her modernization program by the end of this century," he declared. "Only in peace can our economic development go forward and our people's needs be satisfied."

He said: "China's social system and fundamental interests require that we pursue a policy of peace. We do not need war and we firmly oppose a new world war. China's armaments, including her nuclear capabilities, are entirely for the purpose of self-defense against foreign aggression.

"China does not have a single soldier outside its own borders and never seeks any bases on foreign soil. Neither does it have any territorial ambitions. Our record shows that we were forced to act in self-defense only when a war of aggression was imposed on us. We oppose aggression or threats against ourselves, and we never pose any threat to others."

Huang Hua said in conclusion: "Disarmament is, in the final analysis, a question of how to prevent war and maintain peace, so it is bound to attract the attention and arouse the concern of the people throughout the world. So long as the people of all countries unite in a persistent and relentless struggle against war of aggression, it will be possible to maintain world peace. The people's struggle is a powerful impetus to disarmament and maintenance of world peace. Our task is to make concerted efforts for the realization of genuine disarmament in conformity with the wishes of the people of the world."

XINHUA on Reaction to Speech

OW121314 Beijing XINHUA in English 1252 GMT 12 Jun 82

[Text] United Nations, June 11 (XINHUA) -- Warm applause and praises greeted the speech made by chairman of the Chinese Government delegation Huang Hua at the second U.N. special session on disarmament today.

Huang Hua won warm applause from the audience when he announced, "If the two superpowers take the lead in halting the testing, improving or manufacturing of nuclear weapons and in reducing their nuclear weapons by 50 percent, the Chinese Government is ready to join all other nuclear states in undertaking to stop the development and production of nuclear weapons and to further reduce and ultimately destroy them altogether." This was the first time in four days that a government delegate won applause from the audience in the course of his speech at the special session.

When Huang Hua returned to his seat after his speech, delegates from nearly 60 Asian, African, Latin American and European countries queued up for their turn to shake hands with him in warm congratulation:

Many Third World delegates showed great appreciation of China's pledge that at no time and under no circumstances will China be the first to use nuclear weapons and that it undertakes unconditionally not to use such weapons against non-nuclear states. Some delegates and reporters from Japan and the West described Huang Hua's speech as concrete, explicit, reasonable and sincere, which they said indicates that the Chinese Government is playing a unique role in regard to the disarmament question.

UN DEBATE CONTINUES TO URGE END TO ARMS RACE

OW120932 Beijing XINHUA in English 0720 GMT 12 Jun 82

[Text] United Nations, June 11 (XINHUA) -- The general debate of the second special session of the U.N. General Assembly on disarmament entered its fourth day today with more nations calling for an end to the arms race and for the non-use of nuclear weapons against non-nuclear states.

President of Cyprus Spiros Kiprianou said that the major powers had the obligation to do their utmost to end the arms race through bold agreements, until the goal of collective international security was achieved.

Irish Prime Minister Charles J. Haughey urged the nuclear powers to give binding security guarantees to the non-nuclear states to ensure that "no nuclear power will ever use nuclear weapons against a non-nuclear power."

Arturo M. Tolentino, minister of state for foreign affairs of the Philippines, said that China had taken the lead by its declaration of the non-first-use of nuclear weapons and non-use of nuclear weapons against a non-nuclear state. "We welcome this assurance," and "the world looks to the nuclear weapon states, and particularly to the two superpowers who each possesses a devastating array of nuclear weaponry, to respond to world public opinion," he noted.

Claude Cheysson, minister of external relations of France, said that the overarmament of the superpowers was "a threat to peace." On the arms race between the two superpowers, Cheysson said that while one of them had reduced its effort in the past few years the other moved ahead relentlessly and strengthened its arms potential aimed exclusively at Western Europe. "Now the former is obliged to react," he continued; "in this way, with the two parties moving from positions of inferiority to overcoming that inferiority and then surpassing each other, the arms race in turn destabilizes and terrifies each of the two camps. Stability based on deterrence might be compromised by the reappearance of first strike capabilities," he added.

The minister said that a more just and more secure global international order could be attained through "the balance between East and West at the lowest, safest and most stable level possible" and "the defense and the guarantee of independence of each state through regional security."

HUANG HUA ATTENDS DINNER HOSTED BY KISSINGER

OW120750 Beijing XINHUA in English 0744 GMT 12 Jun 82

[Text] United Nations, June 11 (XINHUA) -- Chinese state Councillor and Foreign Minister Huang Hua attended a dinner party given in his honour by U.S. former Secretary of State Dr. Henry Kissinger. Ling Qing, Kang Maozhao and Liang Yufan, deputy leaders of the Chinese Government delegation to the second special session of the U.N. General Assembly on disarmament, were among those present.

During the dinner party, which proceeded in a warm and cordial atmosphere, Huang Hua had friendly conversations with noted American personalities from political, financial, business, social and mass media circles.

The Chinese state councillor and foreign minister also conferred this afternoon with Claude Cheysson, minister for external relations of France.

NEW CHAIRMAN OF U.S.-CHINA RELATIONS GROUP NAMED

OW071926 Beijing XINHUA in English 1920 GMT 7 Jun 82

[Text] Washington, June 7 (XINHUA) -- Raymond Philip Shafer has been appointed chairman of the National Committee on United States-China Relations, its board of directors announced today.

Shafer succeeds Ambassador Charles W. Yost, who was chairman from 1975 until his death in 1981.

Shafer is now partner and senior counsellor of the international accounting firm of Coopers and Lybrand. He was governor of Pennsylvania (1967-71) and counsellor to Vice President Nelson Rockefeller (1975-77).

Accepting his new post, Shafer said, "for more than a decade, the People's China and the United States have been developing better relationships and mutual understanding. Before and during this period, the national committee rendered responsible, pioneering leadership, earning respect in both countries. I look forward to helping build on and extend this distinguished record."

The national committee, formed in 1966, is a leading non-profit organization conducting exchanges and related educational programs involving leaders in government, education, culture, management and communications in the United States and the People's Republic of China.

Since 1975 the organization's president has been Arthur H. Rosen, a former career Foreign Service officer.

XINHUA NOTES U.S. SPACE PROGRAM'S MILITARIZATION

OW091236 Beijing XINHUA in English 1215 GMT 9 Jun 82

["U.S. Space Programs Go Military" by XINHUA correspondent Zhou Zexin" -- XINHUA headline]

[Text] Washington, June 7 -- The militarization of U.S. space operations is drawing more and more public attention as the date set for the space shuttle Columbia's fourth and final test flight is drawing near.

The U.S. National Aeronautics and Space Administration (NASA) has announced that the shuttle's fourth test flight will be launched on June 27 and is scheduled to return on July 4. The Columbia will carry a secret military cargo of the Defense Department into orbit. This is the first secret military cargo to fly on an American space ship. The Defense Department reportedly has placed its cargo into the cargo hold of the Columbia but refused to disclose what type of equipment it consists of. The pilots have been under orders not to talk about the test with the mission control center. They also must avoid beaming television back to earth of the device mounted in the cargo hold so as to protect information about the U.S. space systems from the Soviet Union.

The militarization of U.S. space programs began long ago. It is getting more and more publicity along with the aggravation of the arms race with the Soviet Union. The United States stresses that this has resulted from the stepped-up space operations of the Soviet Union in recent years. Some U.S. military experts hold that the Soviet Union is already many years ahead of the United States in the field of space-based high-energy laser weapons and that Soviet research programs are far grander than those of the United States.

They fear that this kind of weapons might threaten the satellites and rockets of the United States.

They also hold that the manned space shuttle programs of the Soviet Union have for many years been military-oriented. The Soviet Union has indicated that before 1985, it will send into space orbit a permanent space station manned by 12 to 14 persons. The recent flight of the Salyut-7 space station is considered to be possibly related to these programs.

The United States has also stepped up its research and manufacture of laser weapons. The Washington POST disclosed on May 5 that an early warning infrared laser system is being loaded on board the Columbia. The New York TIMES reported on June 6 that the Defense Department has worked out a new military program under which the Air Force is instructed to deploy anti-satellite weapons within the coming five years as part of the program to reinvigorate the U.S. nuclear deterrent forces. A deputy secretary of the Air Force department disclosed in his testimony before the Congress not long ago that the Defense Department and the Air Force have solid programs for a continued expansion of the U.S. military capabilities in space so as to explore the space for military purposes.

While the U.S. Defense Department is stepping up its deployment in the space arms race, NASA programs are being geared to military activities and even shifted to a military basis.

NASA has increased its contacts with the Defense Department by increasing the number of officers and military-related personnel in its staff. The newly-established office of space operations under NASA is headed by an Air Force major general.

U.S. spaceships are being used more directly for military purposes. The carrying of Defense Department cargo by the Columbia is just a beginning. The U.S. President has decided that NASA and the Air Force will share the use of spaceships. Thus the Defense Department has become a chief user of spaceships. According to an official report, almost half, or at least 114 of NASA's 243 spaceship missions preliminarily planned for the period from now till 1994 will be assigned to the Defense Department.

NASA's scientific research is becoming more and more military-oriented. NASA Director James Beggs testified before the Congress last February that the 1983 military-related space programs of scientific research and development, especially those using spaceships, will remain unchanged or even be expanded, while civilian space programs will be cut or postponed. In order to give priority to the development of military-related rockets, NASA has postponed to 1984 its program for exploring the Jupiter. A quarter of NASA's 3.5-billion-dollar budget for 1983 will be spent on military-related operations.

A number of American congressmen have criticized the militarization of NASA operations for affecting the development of non-military space science and technology. Observers here regard the linkage between spaceships and the military systems of the Defense Department as a dangerous new development.

RENMIN RIBAO COMMENTS ON KIRKPATRICK 'OUTBURSTS'

HK130816 Beijing RENMIN RIBAO in Chinese 13 Jun 82 p 6

["International Jottings" by Chen Feng [7115 1409]: "Hard To Avoid 'Clumsiness'"]

[Text] U.S. Ambassador to the United Nations Jeane Kirkpatrick has blown her top again. At a lunch on 7 June, she said the reason U.S. influence in the United Nations had consistently waned was because "the United States is always acting clumsily in international relations." and "is not proficient in UN politics," and "we are simply a bunch of laymen."

She said when venting her wrath back in February: "The United States has become a nation without a single follower." Now she says the way to solve the problem is to appoint someone "proficient in UN politics" as the permanent representative there. The day after her latest outburst, when the Security Council was debating the urgent issue of Israel's invasion of Lebanon, Kirkpatrick alone, representing the United States, vetoed a draft resolution condemning Israel for refusing to withdraw its forces from Lebanon. While the whole world was condemning in concert Israel's large-scale armed invasion of Lebanon, she, representing the United States at the United Nations, defended the Begin authorities' aggression, thus "clumsily" isolating herself yet again.

No matter how much Mrs Kirkpatrick may moan and complain, if the U.S. Government continues to persist in its erroneous ways of running counter to the aspiration of the Third World peoples, it is certain that its influence in the United Nations will continue to wane. The affairs of the United Nations are the affairs of all its members, and cannot just be decided on by a few big states; this is the UN politics of today. If the United States does not understand this simple truth, no foreign affairs expert it appoints as permanent U.S. representative to the United Nations can avoid "laymen's and clumsy" acts.

U.S. MIDDLE EAST PROBLEMS SAID SELF-MADE

HK130810 Beijing RENMIN RIBAO in Chinese 13 Jun 82 p 6

["International Jottings" by Shi Fang [1102 5364]: "The 'Opportunity' Is Disappearing"]

[Text] Speaking on the Middle East situation in Chicago recently, U.S. Secretary of State Haig said that in this "particularly dangerous" region, there were both "perils" and also "opportunities" for the United States, and so the United States "should influence Middle Eastern affairs" and prevent the Soviet Union from "taking advantage of the turmoil there to reach its strategic goals."

Why has the Middle East become a "particularly dangerous" region? Obviously, one important reason is that the Israeli authorities pursue a policy of aggression, expansion and hostility to the Arab people, with the result that there is no peace in the region. And the reason the Israeli authorities dare to act in such a rabid fashion is because they have gained U.S. connivance and support. The latest proof of this is that the Begin regime recently defied world opinion and brazenly launched a large-scale armed invasion of Lebanon.

However, Haig's reference to "perils" for the United States had another meaning, which was that U.S. interests and influence had been "challenged," while by U.S. "opportunities" he meant the possibility of preserving U.S. interests and influence. It is quite evident that these "perils" and "opportunities" exist, and the question is, what policy will the United States adopt. If the Washington authorities cling obstinately to their course, help a tyrant to do evil, stand opposed to the Arab people and support Israel's wanton acts, the United States will indeed be in peril of losing everything, and any talk of preventing the Soviet Union from "taking advantage of the turmoil there to reach its strategic goals" may turn out to be an idle dream.

ZHAO ZIYANG MEETS JAPANESE BANK DELEGATION

OW121316 Beijing XINHUA in English 1257 GMT 12 Jun 82

[Text] Beijing, June 12 (XINHUA) - Premier Zhao Ziyang met here this afternoon with a delegation from the Export-Import Bank of Japan led by Michio Takeuchi, president of the bank. Zhao Ziyang told the delegation that a good foundation for economic and technical cooperation between China and Japan was laid in the past ten years. "This has opened a good prospect for still greater cooperation in the future," he said. Michio Takeuchi said the Export-Import Bank if Japan would make efforts to expand the cooperation.

Present were Bu Ming, chairman of the board of directors, Li Fakui, vice-president, of the Bank of China, and Vasue Katori, Japanese ambassador to China. The delegation arrived here June 9 at the invitation of the Bank of China. While in Beijing, the two sides exchanged views on further financial cooperation. They will leave here tomorrow for other parts of China.

JI PENGFEI MEETS DPRK PARTY FRIENDSHIP GROUP

OW121300 Beijing XINHUA in English 1250 GMT 12 Jun 82

[Text] Beijing, June 12 (XINHUA) -- Ji Pengfei, member of the Central Committee of the Communist Party of China and state councillor, met and feted a friendship group of the Korean Workers Party led by Pak Yong-sok, member and a department head of the Central Committee of the Korean Workers Party.

Present on both occasions were Qiao Shi, head of the International Liaison Department of the C.P.C. Central Committee, and Chon Myong-su, ambassador of the Democratic People's Republic of Korea to China. The Korean comrades returned here today after visiting Chongqing, Wuhan and Shanghai.

GENG BIAO, PLA DELEGATION LEAVE FOR PYONGYANG

OW140239 Beijing XINHUA in English 0228 GMT 14 Jun 82

[Text] Beijing, June 14 (XINHUA) -- A Chinese military delegation led by Geng Biao, member of the Political Bureau of the Central Committee of the Communist Party of China, Standing Committee member of the Military Commission of the C.P.C. Central Committee, state councillor and minister of national defense, left here by air this morning for a friendship visit to the Democratic People's Republic of Korea at the invitation of the Military Commission of the Central Committee of the Korean Workers Party. The deputy leader of the delegation is Liang Biye, member of the C.P.C. Central Committee, member of the Standing Committee of the National People's Congress and deputy director of the General Political Department of the Chinese People's Liberation Army. The delegation includes leaders of the General Logistics Department, the air force, the navy and the Shenyang units of the P.L.A.

Among those present at the airport to see the delegation off were Yang Shangkun, vice-chairman of the N.P.C. Standing Committee and secretary-general of the C.P.C. Central Committee Military Commission; Qiao Shi, head of the International Liaison Department of the C.P.C. Central Committee; Fu Hao, adviser to the Ministry of Foreign Affairs; and Zhang Zhen, Huang Yukun, Xu Guangyi and other leaders of the P.L.A. general departments, air force and navy. Chon Myong-su, D.P.R.K. ambassador to China, was also present.

SHANGHAI MAYOR LEADS FRIENDSHIP GROUP TO DPRK

OW140812 Beijing XINHUA in English 0804 GMT 14 Jun 82

[Text] Beijing, June 14 (XINHUA) -- A Shanghai friendship delegation led by its mayor Wang Daohan left here by train today for Hamhung in the Democratic People's Republic of Korea. The delegation is going to sign the protocol on the establishment of the friendly ties between Shanghai and Hamhung.

XINHUA REPORTS REAGAN'S 'NEW BERLIN INITIATIVE'

OW120308 Beijing XINHUA in English 0243 GMT 12 Jun 82

[Text] Bonn, June 11 (XINHUA) -- Before leaving Bonn for home this afternoon, U.S. President Ronald Reagan paid a short visit to West Berlin, terminating his two-day West Europe trip with a "new Berlin initiative" in a speech delivered near the "Berlin Wall."

During the trip, Reagan attended the Versailles economic summit meeting as well as the Bonn NATO summit meeting and paid official visits to Vatican, Rome, London and Bonn.

In the company of West German Chancellor Schmidt, Reagan flew from Bonn to West Berlin this morning for a 3-hour visit. After inspecting the "Berlin Wall", he addressed a rally at the Schloss Charlottenburg Square. He reaffirmed the U.S. commitment to West Berlin, saying that the U.S. "remains committed to the Berlin agreement", and "will continue to honor its commitment to Berlin."

He condemned the "expansionism of the Soviet Union" and the "ruthless pursuit of its goals around the world." He challenged the Soviet leaders to join in the "quest for peace, security and a lowering of the tensions and weaponry," to eliminate their SS-20, SS-4, and SS-5 missiles, to slash the conventional ground forces of the Warsaw Pact and NATO in central Europe to 700,000 men each, to live up to the Helsinki treaty and to reduce the "human barrier." He packaged all these "challenges" as a "new Berlin initiative" and called on the Soviets to respond with "positive actions rather than rhetoric as the first proof of Soviet good intentions."

"A united, resolute Western alliance stands ready to defend itself if necessary, but we are also ready to work with the Soviet bloc in peaceful cooperation if the leaders of the East are willing to respond in kind," he said.

Addressing the same rally, Chancellor Schmidt stressed that the presence of U.S. military forces in West Berlin "is a demonstration of the U.S. to be ready to safeguard the freedom of the city." While seeing President Reagan off at the Bonn-Koln airport later, the chancellor said, he, too, hoped the East would respond positively to Reagan's "new Berlin initiative."

RENMIN RIBAO REPORTS REAGAN'S EUROPEAN TRIP

HK120820 Beijing RENMIN RIBAO in Chinese 12 Jun 82 p 7

[Unattributed report: "U.S. President Reagan Visits Western Europe"]

[Text] While attending the seven-nation Western summit and the NATO summit, President Reagan also visited France, Italy, Britain, West Germany and West Berlin and held talks with the leaders of the four countries on the international situation and bilateral relations.

Reagan addressed the Bundestag during his visit to West Germany. He stressed the "permanence" of U.S. commitments to Western Europe, saying that the United States "is resolved to maintain well-equipped and highly trained forces in Europe." He also clearly stated that the United States would stand together with the peoples of Western Europe to preserve European security. He said it is necessary to strengthen unity and dialogue between the members of NATO. The West must strengthen its defenses in nuclear and conventional weapons.

Addressing the British Parliament, Reagan denounced the Soviet policy of aggression and expansion, and also declared that he hoped to meet Brezhnev and desired success in the U.S.-Soviet nuclear talks. In his address to the Bundestag, Reagan also announced a proposal for reducing conventional forces in central Europe, that is, to reduce Eastern and Western conventional ground forces in the central European region to 700,000 men each and the air forces to 200,000 men each. This proposal was welcomed by the West European countries.

There are still differences between the United States and certain West European countries on the question of East-West detente. In his talks with Chancellor Schmidt, Reagan held that so far detente had brought more advantages to the Soviet Union than to the West. He also maintained an attitude of reserve regarding the Western Europe-Soviet natural gas pipeline deal. Schmidt held that as the contract had already been signed, it must be carried out.

Apart from this, Reagan also specially discussed with Britain the military conflict between Britain and Argentina over the Falklands (Malvinas). Leaders of the United States and the four West European countries also exchanged views on Israel's large-scale attack on Lebanon, the Iran-Iraq war, and East-West economic relations. In talks on the Malvinas dispute, British Prime Minister Mrs Thatcher thanked the United States for its support. During the two summits and Reagan's visits, tens of thousands of people demonstrated in Rome, London and elsewhere in opposition to the superpowers' nuclear arms race.

XINHUA COMMENTARY ON NATO SUMMIT IN BONN

OW120129 Beijing XINHUA in English 0104 GMT 12 Jun 82

["Commentary by correspondent Yang Yi: Narrowing Differences To Show Unity -- An Observation of NATO's Summit in Bonn" -- XINHUA headline]

[Text] Bonn, June 10 (XINHUA) -- The heads of state and government from the 16 NATO countries came here yesterday to hold the sixth summit conference since the alliance was formed in 1949. When the international situation is becoming more turbulent and increasingly changeable, the summit conference cannot but arouse close attention in the world.

Instead of focusing discussions on concrete issues, the conference proceeded in a way of sidestepping contradictions to show "unity." During the one-day conference discussions on concrete issues took up only a few hours. As a result, the 16 participants could not get into a serious study of concrete questions but stated their positions in turn instead. In addition, as the declaration of the conference and documents attached to it were drafted and basically finalized in advance, they were submitted to the conference just for final approval.

Then, why did so many people come here to hold such a meeting? Analysts here said this was because great changes have taken place in the relative military strength of the NATO and the Warsaw Pact, that of the United States and the Soviet Union in particular, since the last NATO summit conference in Washington 1978. The Soviet Union has surpassed the United States in the speed of developing nuclear arms and conventional forces. This has further deepened the differences within the NATO on its strategy to deal with the Soviet Union. The Reagan administration stands for vigorous reinforcement of defense, arms expansion and war preparations as well as a hard line in negotiations with the Soviet Union so as to force the latter to check its ambition for expansion.

However, the NATO countries in Western Europe, proceeding from their historic and geographic condition, and for the sake of their national security, political needs and economic interests, are more willing to pursue the policy of "power plus negotiation." Although they are by no means to give up the policy of maintaining military strength at a certain level, they advocate serious dialogue with the Soviet Union. They have gradually lost their faith in the effectiveness of the U.S. nuclear umbrella and the continuity of its foreign policy. Therefore, they hope to seek a real detente in their relations with the Soviet Union and their own security in return. Under these circumstances, the NATO member states deemed it necessary to hold a summit conference to exchange views, narrow differences and coordinate actions.

The "Bonn statement" adopted at the conference gives prominence to a dual strategy which places defense and dialogue on a par, a subtle shift in NATO's strategic thinking. It demonstrates that the United States is drawing closer to its West European allies and reversing to the strategy employed in the mid-1970's of using dual tactics against dual tactics, with a view to maintaining the solidarity of the military alliance of the West. This compromising move has eased the contradictions between the Reagan administration and Western Europe. It was well received by those who attended the conference with some praising it as laying the groundwork for NATO cooperation in the 1980's.

Reinforcement of conventional armament also finds some reflection in the "statement". A document adopted by the conference on military integration of NATO states that NATO will continue to strengthen its defense posture, with special regard to conventional forces. However, deep-seated differences remain as to how to put this vague and general principle into practice.

Explaining why the Reagan administration has made compromise to its allies on armament control and disarmament and taken up again the banner of negotiation, dialogue and disarmament, the observers here attributed it to U.S. financial troubles which cannot sustain its excessive military spending. A surge in the peace movement at home, the mid-term parliamentary elections this year and the existing rift between the United States and Europe are the other reasons they cited. As for the West European countries which are confronted with the Soviet threat, they still need U.S. support and an effective NATO existence. Therefore, the conference has harmonized some differences.

In spite of the many praises, various postures of "solidarity" and certain reconciliations made by the heads of state and governments, the fundamental differences inside the NATO, as some official spokesmen and news media pointed out, did not and could not be settled by a one-day conference.

The Reagan administration still puts more emphasis on strengthening defense and seeking its own superiority. But West European countries place more hopes on detente. As a West German Government spokesman has said, contradictions on the policy of detente still exist on both sides.

On East-West economic relations such as the control of the volume of trade with the Soviet Union, the limit of trust loans granted to it and the construction of natural gas pipelines from Siberia to Western Europe, each country wants to go its own way and no particular agreements have been reached.

It is also difficult for the NATO member states to coordinate their stands on critical international issues. For instance, the conference could not issue a joint statement on the situation in Lebanon because the United States continues to carry out its short-sighted policy of being partial to and siding with Israel.

In spite of the fact that the NATO's defense might be weakened, Britain has moved its main fleet to the South Atlantic. This, too, has deepened the differences within the NATO. Only a few speakers at the conference expressed their support for Britain's military action.

Now that the Bonn conference is over, many participants have heaved a sigh of relief and feel some satisfaction. The differences between the United States and its allies on the security strategy and defense policy remain untouched. Completely different explanations may be made to some equivocal documents and provisions approved at the conference. Old scores between Greece and Turkey have not been settled. Spain and Britain still take different attitudes towards the Malvinas conflict. Observers here are less optimistic about how long the relative balance inside the NATO can be kept.

MATERIALS ON VISIT OF ZAIRIAN PRESIDENT MOBUTU

Meets Deng Xiaoping

OW120813 Beijing XINHUA in English 0759 GMT 12 Jun 82

[Text] Beijing, June 12 (XINHUA) -- Deng Xiaoping, vice-chairman of the Chinese Communist Party Central Committee, met with Zairian President Mobutu Sese Seko and the principal members of his entourage in the Great Hall of the People here this morning.

Welcoming the president to China on his fourth visit, Vice-Chairman Deng said: "Since the normalization of diplomatic relations between China and Zaire in 1972, leaders of the two countries have established a relationship of mutual trust because our two countries have had similar experiences of being bullied by imperialism, colonialism and hegemonism," he said. President Mobutu said there indeed exist relations of mutual trust between the two countries. He thanked China for the aid and cooperation given Zaire.

Deng Xiaoping briefed the guests on China's domestic situation. He said the political situation in China is one of real stability and unity and the initial success in streamlining China's institutions is a clear proof of this. "The people of the country can now concentrate their efforts on national construction," he said.

Mobutu said, as China's friend, Zaire is very much interested in the developments in China.

Present were Chinese State Councillor Ji Pengfei, Vice-Minister of Foreign Affairs Gong Dafei, Vice-Minister of Foreign Economic Relations and Trade Lu Xuejian, and Chinese Ambassador to Zaire Li Shanyi.

Later, Deng Xiaoping hosted a luncheon for President Mobutu, his wife Bobi Ladawa and principal members of their entourage.

Meets Zhao Ziyang

OW111514 Beijing XINHUA in English 1500 GMT 11 Jun 82

[Text] Beijing, June 11 (XINHUA) -- Premier Zhao Ziyang reaffirmed today that China would continue to follow the policy of safeguarding and strengthening unity among Third-World countries.

He made his statement during his talks with Zairian President Mobutu Sese Seko in the Great Hall of the People this afternoon. Mobutu spoke highly of China's policy.

In a cordial atmosphere, the premier and president both said that the friendship and cooperation between the two countries had expanded and strengthened since normalization of relations in 1972. They said the two governments would make further efforts to expand such relations. The two leaders discussed international issues of common interest, and both had the same or similar views on many major issues.

Taking part in the talks for Zaire were Yoka Mangono, commissioner of state for foreign affairs and international cooperation, Seti Yale, special adviser to the head of state, Bokana W'ondangela, commissioner general for planning, Nimy Mayidika, director of the presidential office, Nkema Liloo, principal adviser to the presidential office, and Tuma-Waku Dia Bazika, Zairian ambassador to China.

Present for China were Gong Dafei, vice-minister of foreign affairs, Lu Xuejian, vice-minister of foreign economic relations and trade, Chi Haotian, deputy chief of General Staff of the Chinese People's Liberation Army, and Li Shanyi, Chinese ambassador to Zaire.

Zhao Ziyang Banquet

OW111546 Beijing XINHUA in English 1539 GMT 11 Jun 82

[Text] Beijing, June 11 (XINHUA) -- Chinese Premier Zhao Ziyang gave a banquet here this evening in honor of Zairian President Mobutu Sese Seko and his wife Bobi Ladawa.

The guests were greeted by Premier Zhao and State Councillor Ji Pengfei when they entered the banquet hall. A military band played and the Dong Fang (oriental) song and dance ensemble entertained the guests. Soprano Zhu Mingying's Zairian songs won warm applause. The two leaders toasted further development of the friendship between China and Zaire.

Among those present were Lei Jieqiong, vice-president of the All-China Women's Federation, Zhou Jiannan, minister of the machine-building industry, Gong Dafei, vice-minister of foreign affairs, and Chinese Ambassador to Zaire Li Shanyi. Zairian Ambassador to China Tuma-Waku Dia Bazika was also present.

Meets Building Experts

OW121814 Beijing XINHUA in English 1555 GMT 12 Jun 82

[Text] Beijing, June 12 (XINHUA) -- Zairian President Mobutu Sese Seko met today with Chinese experts who had worked in Zaire. These experts helped build the people's palace and a farm tools plant and grow sugar and rice crops.

Shaking hands with the Chinese experts, President Mobutu said: "I'm very happy to meet you here and join you in recalling the days when you worked in Zaire. The relations between our two countries in all fields are developing."

The Chinese experts thanked the president, and the Zairian Government and people for their care and hospitality given to them during their stay in Zaire. Yoka Mangono, commissioner of state for foreign affairs and international cooperation, was present.

Departure for Guangzhou

OW130144 Beijing XINHUA in English 0132 GMT 13 Jun 82

[Text] Beijing, June 13 (XINHUA) -- Mobutu Sese Seko, president of the Republic of Zaire, Madame Mobutu and their party left here for Guangzhou by special plane this morning after concluding their visit to Beijing.

Before their departure, Zhao Ziyang, premier of the State Council, went to the guest-house to say good-bye to the distinguished Zairian guests. Zhao Ziyang said that the president and Madame Mobutu's visit, although short, is fruitful. The Chinese premier asked President and Madame Mobutu to convey the best wishes and regards of the Chinese people to the Zairian people after they return home. Chinese Vice-Foreign Minister Gong Dafei accompanied President and Madame Mobutu on their way to Guangzhou.

HUANG HUA CONDEMNS ISRAEL'S INVASION OF LEBANON

OW111644 Beijing XINHUA in English 1638 GMT 11 Jun 82

[Text] United Nations, June 11 (XINHUA) -- Huang Hua, chairman of the Chinese Government delegation, state councillor and foreign minister, today strongly condemned Israel's armed invasion of Lebanon at the second special session of the U.N. General Assembly devoted to disarmament.

"While we are discussing the question of disarmament at this special session, the situation in the Middle East is seriously deteriorating as a result of Israel's flagrant invasion of Lebanon," he said.

"We strongly condemn Israel's armed aggression and firmly support the heroic struggle of the peoples of Lebanon and Palestine against Israeli aggression.

"We consider that the United Nations must take prompt and effective measures to halt Israel's aggression," he said.

RENMIN RIBAO URGES ARAB UNITY AGAINST ISRAEL

HK130727 Beijing RENMIN RIBAO in Chinese 13 Jun 82 p 6

[Short commentary: "We Wish the Brothers Quarrelling at Home Would Resist the External Aggressor"]

[Text] Israel's massive invasion of Lebanon has caused a serious situation in the Middle East. Confronted with this great enemy, the Arab and Islamic states urgently need to unite to face the enemy together.

The mediation committee of the Islamic Conference Organization has appealed to Iran and Iraq to cease fire immediately and aim their guns at the Israeli enemy. Iraq has already responded that so long as Iran agrees to a ceasefire, the Iraqi Armed Forces are immediately prepared to withdraw inside the international boundary within 2 weeks and terminate all armed action. It has also stated that until agreement is reached on the issues in dispute, it will accept the ruling of the emergency meeting of the Islamic Conference Organization or any ruling of the Nonaligned Movement or the UN Security Council. This is a positive move by Iraq for ending the war.

The 20-month Iran-Iraq war has not only caused grave losses in every aspect to the belligerents but has also had a bad effect on peace and stability in the Gulf and Middle East regions. The war has weakened the strength and unity of the Arab and Islamic states. In daring to launch such a wanton invasion of Lebanon on this occasion, Israel was to a certain degree precisely taking advantage of differences between the Arab states and disputes among Muslim brothers; it vainly attempted to wipe out the PLO Armed Forces and dismember Lebanon at one stroke. In the face of this wanton Israeli aggression, Iran and Iraq have both expressed sympathy and support for the heroic fight of the Palestinian and Lebanese peoples against aggression. According to reports, Iran is prepared to dispatch combat personnel to Lebanon to take part in the battle to resist the Israeli aggressor forces, while Iraq has stated that the moment Iran agrees to a ceasefire, Iraq will agree to Iranian forces passing through its territory to join in the fighting in Lebanon and Syria. This is encouraging. In these circumstances, if the Iran-Iraq war goes on, it is bound to disperse the forces for struggle against Israel. This is obviously not in accord with the highest interests of the Arab nations and of Islam, nor does it benefit peace and stability in the Gulf and Middle East regions.

Brothers quarrelling at home should resist the external aggressor. In the face of this great enemy, we hope that the Islamic states of Iraq and Iran, both Muslim brothers, will immediately stop killing each other, effect a ceasefire, end the war, and unite as one to deal together with Israeli aggression. In the common struggle against the enemy, there will be a much better atmosphere for the two countries to solve their differences through peaceful negotiations.

CHINA DAILY ASSAILS ISRAEL'S LEBANON INVASION

HK120142 Beijing CHINA DAILY in English 12 Jun 82 p 4

["Opinion" column by CHINA DAILY commentator: "Against Human Dignity"]

[Text] Once again Israel has defied the world's conscience and committed an outrage against human dignity by its latest invasion of southern Lebanon.

The large-scale incursion spearheaded by columns of tanks and armoured vehicles followed two days of savage bombing by Israeli aircraft that killed hundreds of innocent Lebanese and Palestinian people and caused enormous losses to their property.

The wanton aggression was launched despite the presence of peacekeeping forces dispatched there by the United Nations precisely to prevent such acts after a similar Israeli offence in 1978.

Unconditional Withdrawal

The aggression continued following the UN Security Council call for an immediate cease-fire on Saturday. It demanded again on Sunday that the Israeli invaders withdraw from Lebanon "forthwith and unconditionally." A third resolution condemning Israel's act of aggression was supported by 14 of the 15-member Security Council but vetoed by the aggressor's patron, the United States.

For years, with the consistent moral backing and massive supplies of military hardware from the United States, Israel has been pursuing a policy of armed expansion and unceasing encroachments on the territories of neighbouring countries. On the pretext of safeguarding its own "security," the Israeli expansionists have not hesitated to take the lives of thousands of Palestinian and other Arab people and render many times more homeless. Like Hitler, expansionist Israel feels "secure" only when all its neighbours are made insecure. It is pure gangster logic for it to brazenly claim the right to invade Lebanon and kill Palestinian people so as to make the Galilee "panhandle" safe!

This latest act of aggression, on top of numerous preceding ones over the last 34 years, conclusively shows that the expansionist policy of Tel Aviv is a root cause of prolonged Middle East tension and unrest. Until it is restrained, there will be no end to misery and disaster for the people of the Middle East, the Israeli people included.

It is time for the Arab and Muslim world to put aside whatever differences that might exist, and unite to face the reality of Israel's expansion and aggression.

Stop Invasion

It is time that all peace-loving and justice-upholding nations the world over took effective action to stop Israel's current invasion, and make sure it will never recur. This can be done by working seriously and urgently for a just and reasonable solution to the Middle East problem.

The Chinese people, as all the people in the world, cannot repress their righteous indignation against the Israeli expansionists. All our sympathy goes out to the innocent Lebanese and Palestinian peoples. They and the other Arab people can be sure of our support in their just fight for the right to live and regain their lost territories.

RENMIN RIBAO ON PROBLEMS IN TRANSFERRING CADRES

HK111239 Beijing RENMIN RIBAO in Chinese 11 Jun 82 p 3

[Commentator's article: "Firmly Rectify the Unhealthy Trend in Transfer of Cadres"]

[Text] The report about Shanxi's disciplinary action against cadres who disobeyed transfer orders shows that if the CCP committees take a clear-cut stand on this problem and take effective measures, the problem of a few cadres who demand special consideration from the organization but reject its discipline can be solved.

Since the "gang of four" was smashed, the unhealthy trends within our party, including the unhealthy trend in transferring cadres, have effectively been rectified. However, the phenomenon of disobeying orders and holding to one's own views still exists in some places. Under all sorts of pretexts, such as being "unaccustomed to the climate of a place," "unsuitable appointment," "being in poor health" and so forth, and by exaggerating their difficulties, some comrades have often "bargained" with the party organization. In fact, these "excuses" are "not to go where conditions are hard, not to work in the departments where there are many problems to solve and not to do the work which one is not content to do." Some cadres even require that the transfer should be satisfactory to their spouse and children as well. If not, they allow or urge their family members to make trouble. When they cannot achieve their aim, they just stay at home and refuse to report for duty and do not go to work for several months, the whole year or even for several years. This unhealthy trend has violated organizational discipline, corrupted the atmosphere in office and weakened the fighting force of the party.

How do we rectify this unhealthy trend?

First, we must forcefully stress the importance of discipline. On the question of where to go, what to do and what post to hold, all cadres in our party, no matter how proficiently they are qualified, how great their contributions may be and how high their positions are, must unconditionally obey the decisions of the party organization, which are made under the principle of democratic centralism and in accordance with the needs of the party's cause and the political integrity and professional ability of the cadres. Of course, this does not mean that the party organization can make decisions without taking into consideration the opinions, speciality and difficulties of the cadres. Nevertheless, it is wrong for anyone to legalize ultraindividualism under any pretext and insist on giving pride of place to one's own interests without any consideration for the overall situation in work transfers. This is also impermissible by organizational discipline.

Second, it is necessary to work out effective rules and regulations. Without rules and regulations, nothing can be done well. It is necessary for various localities to work out rules and regulations in light of our party's conventional practice and their actual conditions to govern the work of transferring cadres, and make them known to all. These rules and regulations should set demands on cadres as well as on the party organization. For example, before a decision is made to transfer a cadre, the party organization must make investigation and study among the masses, listen attentively and accept the reasonable opinions of the cadres and pay special attention to the speciality of professional and technological cadres. The cadres must truly report their actual difficulties and the party organization should help them solve the difficulties. However, severe criticism should be given to those who are reluctant to work at a lower level and those who wilfully make trouble, and disciplinary action should be taken against those who persist in their errors. On receiving an order from the party organization at a higher level on cadre transfer, the lower level organization should publicize it without delay and be responsible for its execution. If the lower level organization does not carry out the order and does not report the reason, it must be investigated and the responsibility must be determined. When a decision is made by the CCP committee on the transfer of a certain cadre, no individual has the right to change it. One can report one's opinions to the CCP committee or the higher level, but one is not allowed to privately make promises and toady to cadres who are being transferred. Rules and regulations are necessary even if they are not yet perfect. They can be perfected step by step through practice.

Third, it is necessary to check the unhealthy trends impartially and resolutely. Only when leading comrades of the CCP committees and organizational departments are impartial and resolute will it be possible for the unhealthy trend in cadre transfers to be rectified. It often happens that when some cadres who have not done their jobs well or have committed serious mistakes and are transferred elsewhere reject the orders of the party organization, some people intercede for them or obstruct the responsible departments from carrying out the collective decision of the CCP committee through various relations. Among these people, there are not only "old acquaintances," "old colleagues" and "old friends" of the cadres who are transferred, but also some of their "old leaders" and "direct superiors." Very often the interference of these people makes leading comrades of the CCP committees and comrades in charge of the work, who adhere to the party's principles, feel very awkward and vexed. The only correct way to free them from the awkward and vexed situation is to adhere to the party's principle of "telling the truth and not being concerned about saving face," smash the shackles of vulgar relations and defend the correct decisions. This may bring troubles to those comrades who adhere to principles. But to see the matter through, it is worthy of our cadres, especially the organization and personnel cadres of our party, to safeguard the party's principles and discipline, to improve the party's work style and enhance the fighting force of the party organization at the cost of "offending" some people, losing some votes or "being given tight shoes to wear." Moreover, things have become very hard today for anyone who tries to brazenly resist the historical trend of rectifying the party's work style. When we meet with such a "difficult problem" in cadre work, we should think and act in this way. Otherwise, how can we be regarded as firm, sober-minded and promising Marxists and how can the unhealthy trend in cadre transfers be rectified?

RENMIN RIBAO REVIEWS ECONOMIC CRIMES CRACKDOWN

HK110904 Beijing RENMIN RIBAO in Chinese 9 Jun 82 p 3

[Commentator's article: "Practical, Effective Measures for Rectification of the Party and Work Style"]

[Text] At present the struggle to crackdown on serious economic crimes is being launched throughout the country. An important task confronting the discipline inspection departments of CCP committees at various levels is to closely coordinate, under the unified leadership of the party, with the public security organs, procuratorial organs, law courts and other relevant departments, pay attention to selected major cases and, by taking facts as the basis and the law as the criterion, severely punish those criminals in order to ensure the smooth progress of socialist construction.

Cracking down on serious criminal activities in the economic field is an important manifestation of the class struggle under the new historical conditions and is a major struggle waged by the CCP members to uphold the purity of communism and to resist moral degeneration. The significance of this struggle has actually far surpassed the economic scope. Viewed from the angle of party building, cracking down on serious criminal activities in the economic field is a practical and effective measure for rectifying the party and work style in the present conditions. With respect to this point, it is imperative for the CCP committees and discipline inspection committees at various levels to have a sufficient understanding, and, in the course of paying close attention to the investigation and handling of major cases, lay stress on consolidating party organizations and the work style of cadres.

Viewed from cases of serious economic crimes exposed in various localities, some of the criminals are remnant elements of the Lin Biao and Jiang Qing counterrevolutionary cliques and some are people with a history of evil-doing. At the same time, there are indeed some cadres who are CCP members but who have failed to resist the corrosion of capitalist ideas and have been morally degenerated. They cannot withstand the test in the new situation, have viciously inflated individualism, seek ease and comfort, are blinded by lust for gain to such an extent as to forsake the communist ideal, engage in various criminal activities and sabotage the cause of socialist construction.

With respect to these cadres who are party members and who engage in serious economic criminal activities, no matter how long they have held party membership or how high their positions are, it is necessary to resolutely dismiss them from their posts and clear them out of the party in order to ensure the purity of the party organization. With respect to the extremely small number of CCP organizations which are seriously impure politically and organizationally, it is necessary to resolutely consolidate them with guidance and in a planned way. With respect to the extremely exceptional party organizations which have practically rotted away, it is necessary for the CCP committees at the higher level to thoroughly investigate the situation, reorganize or disband them and do a good job of reestablishing the CCP organizations. By so doing, the party's organism will be healthier, the face of the party will take on an altogether new aspect, the link between the party and the masses will be closer and the combat effectiveness of the party will be stronger.

The current struggle to crack down on serious criminal activities in the economic field has provided us with a lot of favorable conditions to conduct ideological and political education among the CCP members and cadres. We should, in light of the actual conditions in this struggle, educate the numerous CCP members to fully understand the importance, the protracted nature and the complexity of resisting the corrosion of capitalist ideas and to conscientiously preserve the purity of communism. At no time and under no circumstances will the CCP permit a reduction in the criteria of CCP members, nor will it permit CCP members to be morally degenerate. Through ideological and political education in the light of practical struggle, the political level of the numerous CCP members will be extensively raised and they will remain clearheaded in the face of corrosion by decadent capitalist ideas. Those CCP members and cadres who are on the verge of moral degeneration will also be redeemed.

A few CCP members have committed the serious mistakes of violating party discipline and the "Guiding Principles for Inner Party Political Life," but their problems have not developed to such a serious extent that it is necessary to affix the responsibility for the crime according to law. In this case it is necessary, according to the seriousness of their mistakes, to take disciplinary actions against them within the party. This also constitutes an education and redemption for these CCP members.

GUANGMING RIBAO DISCUSSES CURRENT CLASS STRUGGLE

HK110805 Beijing GUANGMING RIBAO in Chinese 2 Jun 82 pp 1, 3

[Article by Xue Yan [5641 1693]: "How Should We Look at Class Struggle Under Present Conditions?"]

[Text] Since the carrying out of the struggle against serious crimes in the economic field, certain vague understandings have been found among certain cadres and the masses. Some people have said: "Now that the work focus is shifted, how can we mention class struggle again?" Some people have worried that "the mention of class struggle means the pursuit of the road to retrogression and thus we will commit the past mistake of 'taking class struggle as the key link.'" Other people have even gone as far as to say that the current situation is an adverse consequence of third plenary session, ever since which class struggle has not been mentioned. Clarifying these vague understandings and educating the cadres and the masses to correctly understand the CCP Central Committee's important ideology in relation to our country's current problems of class struggle is extremely essential to doing a good job of carrying out the struggle against serious crimes which undermine the economy.

During the 3d Plenary Session of the 11th CCP Central Committee when the decision on shifting the whole party's work focus was made, it was explicitly pointed out: "A small number of counterrevolutionaries and criminals who are hostile to and sabotage our country's socialist modernization cause still exist in our country at present. We absolutely cannot slacken our efforts in waging a class struggle against them and must not weaken proletarian dictatorship." Later on, in the speech by Comrade Ye Jianying delivered in commemoration of the 30th anniversary of the founding of the country, which was later approved by the party's fourth plenary session, it was pointed out: "Our country's exploiting class has already been eliminated as a class. However, class struggle will continue to exist within certain limits."

Comrade Deng Xiaoping pointed out in his speech delivered in December 1980 that: "Although class struggle is no longer the major contradiction in our society, its actual existence has not been eliminated and we should not underestimate it." The "Resolution on Certain Questions in the History of the Party Since the Founding of the PRC" adopted at the 6th Plenary Session of the 11th CCP Central Committee made a comprehensive and scientific exposition on the question of class struggle within the country. It also pointed out that: "We must maintain sharp vigilance and carry out effective struggles against the sabotaging political, economic, cultural and social activities of those elements who are hostile to socialism."

Over the past few years, the analyses and estimates of our country's class struggle situation made by the CCP Central Committee and the central leading comrades have been proved perfectly correct and far-sighted. Now, some comrades suspect that the CCP Central Committee has turned "right" because class struggle has not been mentioned again since the third plenary session. Others think that the CCP Central Committee is turning "left" when the question of class struggle is brought up again. All these views are wrong. This shows that some of our comrades only have a superficial or a one-sided and wrong understanding of the central documents and the important speeches of the central leading comrades. Therefore, comprehensively and correctly clarifying the scientific exposition of the question of class struggle made since the third plenary session and, in particular, in the "resolution" of the sixth plenary session, is still an important task.

It was pointed out in the "resolution" of the 6th Plenary Session of the 11th CCP Central Committee that: "Class struggle no longer constitutes the principal contradiction since the exploiters have been eliminated as a class. However, owing to certain domestic factors and influences from abroad, class struggle will continue to exist within certain limits for a long time to come and may even grow acute under certain conditions. It is necessary to oppose both the view that the scope of class struggle must be enlarged and the view that it has died out." This is a scientific summation of the class situation and the question of class struggle of the socialist society in our country under the new historical conditions made by using the fundamental Marxist principles. This is also an important ideology guiding our correct understanding of the question of class struggle at present.

What accounts for the continuous existence of class struggle after the exploiters have been eliminated as a class?

In view of the domestic situation and the situation abroad, it is not difficult to understand this question. First, while the exploiters have been eliminated as a class, the remnant elements of the exploiting class and other hostile elements continue to exist. They will stir up troubles whenever there is a chance. Second, while the exploiters have been eliminated as a class, the ideas of the exploiting class will continue to exist for a long time to come. They will, undoubtedly, corrupt the minds of some people. A great number of facts have proved that a large proportion of the present new exploiting elements, corrupted elements and criminals who commit serious crimes, are the shaky elements of the worker contingent, peasant contingent, intellectual contingent and cadre contingent. They have all been corrupted by the thinking of the exploiting class. Third, the statement that the exploiters have been eliminated as classes is only applicable where mainland China is concerned. However, the exploitation system and a perfect exploiting class still exist in areas such as Taiwan, Penghu, Jinmen and Mazu. The counterrevolutionaries among the people in those areas will definitely adopt various forms to corrupt areas in the mainland. Fourth, as far as the international situation is concerned, imperialism and hegemonism are always trying every possible means to penetrate, sabotage and subvert our country's politics, economy and culture. Fifth, in the wake of the development of economic relations with foreign countries, corrupt bourgeois ideas of the West and the bourgeois way of life will attack us by various channels. Owing to the above-mentioned factors, after the exploiters have been eliminated as a class in our country, class struggle continues to exist within certain limits. Also, due to specific historical conditions, this struggle will definitely last for a long time to come and will probably become acute under certain conditions. This is an objective law which is independent of man's will.

The struggle against serious crimes in the economic field, which is underway at present, fully proves the scientific summation of the "resolution" of the sixth plenary session. Judging by the economic crimes exposed in the initial stage, the serious criminal activities in the economic field such as smuggling and selling contraband, graft and accepting bribes, speculation and deception and stealing state and collective property are far more serious than the "three evils" which were struggled against in 1952. If nothing is done to put an end to the development of such crimes, the socialist cause will be more severely undermined. Have the grim realities not deeply shown that class struggle will not only continue to exist within certain limits for a long time to come but will also grow acute under certain conditions?

Another argument has come into being at present. It holds that striking hard blows at serious crimes in the economic field can hardly be defined as a struggle between different classes. Many comrades state that during the feudal period many good officials also accepted bribes and that the capitalist countries also oppose corruption and bribery and ask if we can define this as class struggle.

Some other comrades have even advocated replacing the terms class contradiction and class struggle with the terms social contradiction and social struggle. We should see that these views are inappropriate. Lenin said: "In analyzing any social problems, the absolute demand of Marxism is to raise the problem in certain historical limits." If we abstractly discuss whether or not corruption is class struggle divorced from certain historical limits, we will not be able to draw a correct conclusion. Both in feudal societies and in capitalist countries, the exploiters occupy ruling positions. The intrinsic quality of the exploiting class is to reap without sowing. They oppose corruption and punish corrupt officials because they want to solve contradictions within their own class, deceive the people and consolidate the reign of the exploiting class. All this is different in nature from our struggle against serious crimes in the economic field which is being carried out at present. Our target is to eliminate the exploitative system, eliminate the classes and eliminate all phenomena of reaping without sowing. Serious economic crimes are not ordinary crimes. They are purposely sabotaging and overthrowing our country's socialist system with an intent to reestablish the capitalist system. Waging this struggle is related to the success or failure of our socialist modernization cause and the life and death of our party and our country. This is a serious struggle between the proletariat and the broad masses of people who uphold socialism on one side and those elements who are hostile to and sabotage socialism on the other side. It is an absolute conflict of interests and thus it is unmistakably an important manifestation of class struggle in the economic field. Naturally, minor economic offences do not fall within the limits of class struggle. We should distinguish them from serious crimes in the economic field. This should go without saying.

When we stress that dealing hard blows at serious criminal activities in the economic field is an important manifestation of class struggle in the economic field, recognize that class struggle will continue to exist for a long time to come within certain limits and will even grow acute under certain conditions, will we, as some comrades have worried, make the past mistake of "taking class struggle as the key link" and the mistake of enlarging class struggle? The answer is no.

"Taking class struggle as the key link" was a slogan put forth shortly before the "Great Cultural Revolution." Theoretically speaking, this slogan deviated from the correct analysis of the situation of class struggle in our socialist society. After the completion of the socialist transformation of the private ownership of the means of production, we continued to erroneously treat class struggle as our country's principal contradiction, firmly believing that class struggle existed everywhere in our society. We also believed that a large number of representatives of the bourgeoisie existed inside the party, the government, the army and the cultural circles -- persons in power who followed the capitalist road. In accordance with this unrealistic and subjective analysis, the slogan of "taking class struggle as the key link" was put forth, leading to the erroneous launching of the "Great Cultural Revolution."

Practice has fully proved that the analysis of the class situation at that time and the slogan of "taking class struggle as the key link" were all wrong and they brought about serious consequences. We must bear this historical lesson in mind.

The 3d Plenary Session of the 11th CCP Central Committee decisively put an end to the use of the wrong slogan of "taking class struggle as the key link" which is inapplicable in a socialist society, resolutely shifted the whole party's work focus onto socialist modernization and fundamentally corrected the "leftist" guiding ideology. Simultaneously, the CCP Central Committee has summed up both positive and negative experiences of our party concerning the question of class struggle and has made a sober estimate of class struggle under the present conditions. It has also pointed out that in our country, the exploiters have been eliminated as a class. The current class struggle is a class struggle of a socialist society under the new historical conditions. This is a special form of class struggle, or it can be said to be a special legacy of the historical class struggle under the socialist conditions. It is very important to correctly understand and master this fundamental characteristic of the current class struggle. On the one hand, it should be distinguished from the class struggle which existed before the exploiters had been eliminated as a class, and on the other hand, it should be distinguished from the future society in which classes and class struggles will be completely eliminated. Thus, we can refrain from the views that class struggle has died out or that the scope of class struggle must be enlarged. In addition, this new characteristic also helps to draw clear demarcation lines, as far as a series of questions is concerned, with the "leftist" guiding ideology of the past such as the so-called "taking class struggle as the key link."

First, the object of class struggle has changed. Before it was wiped out, the exploiting class as a whole was the object of class struggle. Since the elimination of the exploiting class, the object of class struggle mainly includes counterrevolutionaries, enemy special agents, criminals seriously disrupting socialist order, new exploiters going in for graft, embezzlement and speculation, remnants of the "gang of four," a very small number of landlords and rich peasants who have not been successfully remolded, and some remnants of the old exploiting class. At present, stress should be put on hitting at those who have committed serious economic crimes. As a response to the slogan "take class struggle as the key link," the former practice of taking the so-called "capitalist roaders," who actually did not exist, as the main object of class struggle, was entirely wrong.

Second, the status of class struggle in Chinese society has changed. Since the exploiting class has been eliminated, class struggle is no longer the principal contradiction in Chinese society. This was pointed out in the "resolution" adopted by the 6th Plenary Session of the 11th CCP Central Committee "After the socialist transformation was fundamentally completed, the principal contradiction that our country has had to resolve is that between the growing material and cultural needs of the people and the backwardness of social production. It was imperative that the focus of party and government work be shifted to socialist modernization centering on economic construction and that the people's material and cultural life be gradually improved by means of an immense expansion of the productive forces." Class struggle, including the current campaign against serious crimes in the economic field, must be subordinate to and serve economic construction.

Third, the assessment of the conditions of class struggle has changed. In the past, class struggle was thought to be present at all times and in all places and a number of social contradictions which did not fall within the scope of class struggle were regarded as having a class struggle nature. At present, class struggle is thought to be present only within certain limits and will be present for a long time to come. Meanwhile, the "resolution" pointed out: "We must correctly understand that there are diverse social contradictions in Chinese society which do not fall within the scope of class struggle and that methods other than class struggle must be used for their appropriate resolution." This means that in the socialist society in our country at present there exists class struggle and various social contradictions which do not fall within the scope of class struggle. One of these social contradictions is the reflection of class struggle among the people.

It is a social contradiction related to but different from class struggle. Such struggle means a struggle against the influence of the exploiting class reflected among the comrades, and such a contradiction is a nonantagonistic contradiction. Of course, nonantagonistic and antagonistic contradictions develop into each other in given conditions. For example, a minor economic offense, if developed, may develop into a serious economic crime. This transformation covers a course leading from quantitative change to qualitative change. However, before a qualitative change has taken place, the contradiction does not fall within the scope of class struggle. Apart from this, there exist among the people numerous contradictions between right and wrong and between the advanced and backward. These contradictions are not of the nature of class struggle. We can limit class struggle within a certain scope as long as we pay attention to strictly distinguishing class struggle and its reflection from various social contradictions which are not of the nature of class struggle.

Fourth, the method of class struggle has changed. Because class struggle is no longer the principal social contradiction at present, we need not and should not launch a turbulent movement of a mass character as we formerly did. It is entirely possible for us to make full use of our state apparatus to solve problems of class struggle which exist within certain limits. The current campaign against serious crime in the economic field is not being launched in the manner of a mass movement. Instead, problems are solved by taking facts as the basis and the law as the criterion, by acting according to judicial procedure and by the method of handling a law case.

The above analysis shows that whether in assessing the current situation or in considering the characteristic, object, status, scope and method of class struggle, we can see that class struggle under new historical conditions in our socialist society is fundamentally different from the former "leftist" guiding ideology of "taking class struggle as the key link." Some people say that be resuming the formulation adopted before the 3d Plenary Session of the 11th CCP Central Committee, we are taking the road back. Their view is groundless. If we correctly approach and grasp the characteristic of class struggle under the new historical conditions, correctly assess the conditions of the current class struggle without diminution or exaggeration, act in strict accordance with the central authorities' principles and policies on the campaign against serious crimes in the economic field and prudently handle the crimes according to law, we can certainly and correctly handle the current problems of class struggle in the economic field and shall never again make the mistake of widening the scope of class struggle. There can be no doubt about this.

ARTICLE ON 'PERSONS UNFIT FOR LEADING POSTS'

HK111430 Beijing REVIEW in English No 23, 7 Jun 82 p 3

["Notes From the Editors" by political editor An Zhiguo: "Three Types of Persons Unfit for Leading Posts"]

[Text] It is said that "rebels" who got into high positions during the "Cultural Revolution" are not permitted to join the leading bodies. Does it mean you are "purging" those people with ultra-left ideas?

Reorganization of ministries and commissions under the State Council has been completed and the structural reform of leading organs of the party Central Committee is also going smoothly. A major task of the structural reform is to promote competent younger people to leading posts at various levels, and a large number of veteran cadres have already left their posts.

What kind of persons should be chosen for the responsible posts? The answer to this question will not only affect the success or failure of the structural reform, but will determine whether or not the line and policies formulated at the end of 1978 at the third plenary session of the 11th party Central Committee will be continued. It was at this session that a blueprint for China's new historical period was drawn up.

It has long been clear that three types of people are unfit for any leading posts: followers of Lin Biao, Jiang Qing and company who wormed their way into high positions during the "Cultural Revolution" (1966-76); people with strong factional ideas; and those who engaged in beating, smashing and looting during the "Cultural Revolution." Anyone in these three categories who is found to be holding a leading post definitely will be removed from office.

Two news items appeared not long ago that are relevant to this issue:

The vice-director of a science research institute in an enterprise in Jilin Province was removed from his post because it was found that he had played a destructive role during the "Cultural Revolution." He had been a leader of a rebel group in a university and had taken a direct part in the persecution of the former Defense Minister Peng Dehuai, and had joined in beating people.

The leadership of the Tianjin marine products bureau recently was reorganized because the director and vice-director and two other leading cadres had been rebels who gained their positions during the "Cultural Revolution." After they came to power, they promoted many of their equally disreputable followers to leading positions in departments under the bureau. Ignoring directives from the State Council, these persons persisted in pursuing a wrong policy in their work, with the result that fish output dropped drastically and costs were the highest in China.

These two items support the contention that the three aforementioned types of people are unfit for responsible posts. They are the remnants of the gang of four, both organizationally and ideologically. Although there are not many of them, they often cause great trouble. They stick to ultra-left methods and refuse to follow the line and policies formulated since the third plenary session. They gang up and carry on secret activities; some are two-faced and pretend to be active in work in order to win the trust of the leadership. Such people will stir up trouble when the time is ripe, so are considered dangerous.

However, strict distinctions are called for. Those who committed serious errors during the "Cultural Revolution" should not be equated with these three categories of persons, still less those who made minor mistakes. Many of the latter group have realized the nature of their mistakes and have since earnestly implemented the line, policies and principles formulated since the third plenary session. Some have made contributions in their work and enjoy the support of the masses. It is possible that such people might be elected to leading posts.

Barring the three kinds of persons from leadership does not mean we are suppressing those with ultra-left ideas. The two should be distinguished. As to the three kinds of persons mentioned above, they will not hold leading posts; and if they are party members, they will not automatically be expelled from the party. They will be dealt with according to their particular situations and will be educated so that they will realize their mistakes. In the case of those who have ultra-left ideas, they will be helped to enhance their understanding, correct their mistakes and advance together with the others.

Because we have already achieved political stability, the policy of stability and unity will remain unchanged.

HONGQI ARTICLE ON STATUS, DUTIES OF PREMIER

HK120118 Beijing CHINA DAILY in English 12 Jun 82 p 4

[By Xu Chongde in HONGQI]

[Text] DEMOCRACY IS FLOURISHING IN CHINA. A LIVELY DISCUSSION ON THE NEW DRAFT CONSTITUTION IS GOING ON AMONG THE ENTIRE CHINESE PEOPLE. CHINA DAILY IS INTRODUCING THIS TWICE-WEEKLY COLUMN TO ALLOW OUR READERS TO JOIN THE DISCUSSION. [passage published in boldface]

The structure of China's highest administrative organs has undergone three stages of development. The first was the government Administration Council of 1949-1954 which was a committee system. The council consisted of one premier, several vice-premiers, a secretary general and several administrative councillors. Administrative councillors could hold concurrent posts as directors of council commissions or ministers, who were not necessarily administrative councillors.

The second stage, the State Council, was stipulated in the 1954 Constitution. The difference was that there were no committee members holding either concurrent posts as ministers or ministers without portfolio; and all ministers and directors of commissions were without exception members of the State Council.

The present State Council is the third stage. This system places the ultimate decision making responsibility on the premier. Its characteristics are:

-- The number of vice-premiers is reduced to the minimum. "The premier directs the work of the State Council. The vice-premiers and councillors of state assist the premier in his work." This shows that the premier holds the dominant post.

-- The premier is to be appointed by the chairman of the People's Republic. Actually, the chairman is the symbol and representative of the state. Therefore, the premier actually receives the mandate from the state. He is to represent the interests of the people in organizing the government and in bearing the responsibility of managing state affairs and leading the highest administrative organ.

Big Change

It can be readily seen that the draft has further strengthened the status and duties of the premier. Undoubtedly this is a significant change needed to meet the needs of modernization.

Collective management is feasible under certain conditions. Lenin called such a system a "preparatory class" in learning management. It is, however, liable to create multiple leadership with none assuming the ultimate responsibility.

When the will of the state, formed democratically through collective discussion, is to be put into execution, the executive organ must do it rapidly, and in the process clarify the areas of personal responsibility.

The basic principle of management is that a person should be held entirely responsible for a definite work under his charge. If we continue to content ourselves with unending discussions and piles of official documents -- an irresponsible attitude towards work which is incompatible with the requirements of socialist modernization -- the future of our nation will be dreadful to contemplate.

Some people think that the system of decision making by the premier contradicts democratic centralization. But this is wrong. This system still requires collective discussion of major problems in regular and plenary meetings of the State Council. The regular meetings, in particular, exercise the function of collective leadership, as Premier Zhao Ziyang said. "We need committees to discuss certain basic problems and personal responsibility and personal leadership to avoid procrastination and shirking of responsibility."

The draft constitution also enlarges to a certain extent the function and power of the State Council. One measure bestows on the council the power to draw up and approve administrative statutes. In China, democratic centralism and "unity of discussion and action" have been the basic principles of the socialist political system.

MINISTRIES ISSUE CIRCULAR ON TRAIN ATTACKS

OW130650 Beijing XINHUA Domestic Service in Chinese 1213 GMT 12 Jun 82

[Text] Beijing, 12 Jun (XINHUA) -- The Ministry of Public Security and the Ministry of Railways recently issued a circular to public security departments and bureaus as well as railway and engineering bureaus in various provinces, municipalities and autonomous regions on serious attacks against passenger trains, calling on them to adopt effective measures to curb attacks against trains, ensure the safety of passengers and safeguard railway transportation.

The circular pointed out: Several attacks against trains occurred in 1981. New incidents were reported during the first quarter of this year. More trains were attacked in districts under the administration of the Qiqihar, Harbin, Jilin, Shenyang, Beijing, Shanghai, Wuhan, Chengdu and Lanzhou railway bureaus. Even more flagrant were the incidents that occurred on railways between Jagdaqi and Nenjiang and between Suihua and Langxiang in Heilongjiang, between Tianshui and Lanzhou in Gansu and near Zhangjiaji in Hubei. All these incidents seriously endangered the safety of passengers and railway transportation.

The circular held: First, the majority of incidents were caused by youngsters and middle and primary school students in various communes and brigades in cities and towns along the railways who played pranks or tried to attack the trains for fun. Second, some people were asked to pay when they were found riding trains without tickets. They became angry and attacked the trains for revenge. Third, the services rendered by a few train attendants were sometimes unsatisfactory. This angered passengers who then attacked the trains for revenge.

The circular called on the public security and railway departments in various localities to carry out the following tasks:

The public security departments at all levels must rely on the local people's governments at all levels in resolutely implementing the guidelines laid down by the directive of the party Central Committee and the State Council on strengthening public security measures along the railways, in educating the masses, youngsters, and middle and primary school students in various communes and brigades along the railways on the socialist legal system, on protecting the railways, on cherishing the trains and in vigorously carrying out the "five stresses and four beauties" activities.

The railway administration departments must closely coordinate with various localities in maintaining public order along the railways. They must dissuade the commune members and people from riding trains without tickets or becoming stowaways on freight trains. The main line trains and key railway stations where public order has been disturbed must firmly stop stowaways and prevent people from riding trains without tickets. Vendors must be educated and placed under control in selling farm and sideline products and food-stuffs at the railway stations. Vendors without proper permits are not allowed to peddle near trains.

Railway workers must be educated to foster the thinking of wholeheartedly serving the people; adopt a correct attitude in serving passengers; pay attention to policy, method and courtesy in handling problems; and combat illegal practices.

Various localities must earnestly investigate and find out the truth about attacks against trains occurring in their own districts and seriously deal with such incidents. Parents must be instructed to exercise strict control over students and youngsters who attacked the trains. In serious cases, the parents should be held responsible for their own children and pay for damages to trains. Those commune members and people who attacked the trains must pay for damages to trains. In addition, disciplinary actions, such as warnings, fines and detention must also be taken against them according to the seriousness of the case. Concerning those who attacked the trains and carried out sabotage activities, it is necessary to pursue their criminal liabilities in accordance with the law.

BEIJING RADIO CALLS FOR STOPPING SCHOOL DAMAGE

OW111011 Beijing Domestic Service in Mandarin 1200 GMT 10 Jun 82

[Station commentary: "Resolutely Stop Damage to Schools"]

[Text] As a result of the party and government's keen attention to education, the status of teachers has been gradually elevated and new progress has been made in the field of education in recent years. However, showing contempt for education and teachers has yet to come to a complete halt, causing harmful effects on the undertaking of education.

Party and government leaders and education administrative departments of some localities have failed to take timely measures to correct the situation and merely shifted responsibility among themselves, thus encouraging the unhealthy practice and aggravating the situation.

Incidents in Xintian County in Hunan Province had continued for nearly a year. The county party committee had time and again delayed handling of the incidents. It was only after the provincial party committee adopted a firm attitude recently that the county party committee started to pay serious attention to the incidents. Shouldn't this problem merit our deep thought?

The school is a garden for training talented people for the building of the four modernizations and the teachers are the diligent gardeners. Only when the school property is protected, lawful rights of the people's teachers safeguarded, and normal teaching order maintained, can education flourish. Party committees at various levels and departments concerned should show great foresight by including education, an important matter of strategic significance, on the agenda and take effective measures to achieve progress. At the same time, it is necessary to conscientiously investigate and handle people and practices showing contempt for the teachers or seriously damaging the school's interests and disrupting the teaching order. Serious cases should be punished in accordance with law.

Problems in Hunan

OW110859 Beijing Domestic Service in Mandarin 1200 GMT 10 Jun 82

[Text] Since July 1981 some middle schools and primary schools in Xintian County, Hunan Province, have begun to suffer serious damage, with school properties looted, educational bases encroached upon and many teachers insulted, cursed and beaten, making it hard to maintain normal campus order. It has been almost a year. The damage has not been effectively stopped. On the contrary, the situation is becoming worse. During 1981 summer and winter vacations alone, the middle schools and primary schools in Xintian County lost school properties worth more than 31,000 yuan.

During the winter vacation, all desks and benches for the more than 200 students in 5 classrooms of the (Sanxia) primary school in (Sanjin) commune were looted and taken away. Doors and windows were smashed and blackboards destroyed. The looters even took teachers' desks, cooking utensils, beds and cabinets.

The school buildings of the (Xixianshan) primary school are newly built, but all doors and windows have been damaged. In addition, local commune members have taken forcible possession of all the wooden stools for 147 students. Of the 25 middle schools in the county, 10 have been wrecked. Nearly 200 of the 481 primary schools have been damaged to various extents. The failure to duly deal with the lootings of school properties encouraged some 80 troublemakers of the (Longyimao) production brigade to grab for a mile after taking an inch. They repeatedly took away electric wires and lights from the classrooms of the (Jiantou) middle school and ruined the crops on more than 10 mu of school land. People in many localities held wedding or funeral banquets in schools and forced the schools to suspend classes. Because of commune members' wedding banquets, the (Xinglong) commune primary school has lost more than 240 double benches. Some 400 students have to stand through all classes. Eighty percent of the educational bases of the middle schools and primary schools in Xintian County have been encroached upon.

At the same time, insulting and beating teachers constantly occurs in Xintian County. In 1981, six cases concerning beating of teachers happened in Xintian County. Only one of them has been dealt with, while the other five were closed without any settlement. People destroyed all the 3,500 trees planted by teachers and students of the (Chiyang) middle school on its campus as a landscaping project. The leading cadres and teachers of the school were insulted and beaten when they tried to stop the sabotage. On the afternoon of 6 April, some 20 youths from the (Songjia) production brigade chased and beat the students. They beat and severely injured (Xiao Changfa), a teacher, a when he stepped forward to stop them from chasing the students. (Xiao) was hospitalized.

The Hunan Provincial CCP Committee is paying great attention to the repeated wreckings of some middle schools and primary schools in Xintian County. It has issued a circular to the whole province. The Xintian County CCP Committee and People's Government, acting on the instruction of the provincial party committee, are forming a working group in order to conduct an investigation in coordination with the departments concerned to duly deal with this important case as soon as possible.

FURTHER ON INVESTMENT PROMOTION MEETING

HK140201 Beijing ZHONGGUO XINWEN SHE 1515 GMT 11 Jun 82

[Text] Guangzhou, 11 Jun (ZHONGGUO XINWEN SHE) -- The China investment promotion meeting, which lasted for 5 days, has given people a deep impression with its broad scale, significant results and profound influence. This is a successful attempt by China to use foreign capital on a large scale.

The United Nations Industrial Development Organization [UNIDO] and the Chinese Government attached great importance to the meeting; as a result, the meeting was carried out smoothly.

One of the characteristics of the meeting was that it was broad in scale. Judging from the number of people attending, this meeting was attended by more people than any other meeting of its kind sponsored by the United Nations. Some 500 foreign investors and some 800 participants from the Chinese side attended the meeting.

The broad scale of the meeting was manifested by the large number of projects proposed at the meeting. The 130 projects which had been seriously screened were different from those proposed at other meetings of its kind. Moreover, these projects involved many kinds of industries, with stress on medium and small-scale projects. This complies with the actual situation of China and tallies with the financial capability of the majority of medium and small foreign firms. This was the special attraction of the meeting.

The second characteristic is its significant results. Up till now, about 60 proposals and memorandums have been signed with foreign investors; that is about half of the total number of proposed projects. The number of light industry, textile and machine-building projects was far greater than expected. Furthermore, with the other proposed projects, although no proposals have been signed, both parties have arrived at agreements and they will keep in contact in the future. There is a chance of success. Although the signing of proposals and memoranda does not signify ultimate success, this is indeed a good omen.

Some results of the meeting cannot be calculated in terms of figures. This is what we meant by the influence and significance of the meeting, which is the third characteristic of the meeting.

By means of propaganda and introduction through various channels, the China investment promotion meeting has drawn the attention of the international economic society. Since many Western countries have more connections with the United Nations, more people from these countries have attended the meeting, and more proposals have been signed with them. The foreign merchants said that they would convey the message of the meeting to their partners so that they would also come to China to invest. Foreign merchants were arriving at the meeting right up to the last day to talk over projects they were interested in.

The meeting has just come to an end and it is still too early to appraise the significance of the meeting. However, a foreign banker said that China is a huge market and it is getting more ready for foreign investments. The Chinese are very determined and China has bright prospects. Most of what he said, in fact, represents the opinions of the participating foreign merchants.

The foreign and Chinese participants of the meeting unanimously held that the meeting sponsored by China and the United Nations was a success. It was successful in that so many projects were proposed and so many foreign merchants took part in the meeting to have direct contacts with their Chinese counterparts. However, since this is the first large scale meeting of its kind ever held, there is still much left to be desired regarding the preparation work, organization work and reception work. Since the Chinese party did not have sufficient understanding of the situation of foreign merchants, trade talks had been hampered, and since the foreign merchants had not provided sufficient information on their proposed projects, it was difficult for the Chinese to make decisions. We believe the UNIDO and the Chinese departments concerned will make a summary of the meeting. We believe that the China investment promotion meeting is a good start for China to absorb and utilize large-scale foreign capital and this task will be perfected in the days to come. It will certainly open up new prospects for Chinese foreign economic activities.

BANK OF CHINA TO SPUR FOREIGN INVESTMENT

OW11330 Beijing XINHUA in English 1234 GMT 11 Jun 82

[Text] Guangzhou, June 11 (XINHUA) -- The Bank of China, the nation's only foreign exchange bank, is willing to provide loans and services to projected started through cooperation between Chinese institutions and Hong Kong, Macao or foreign investors, including joint ventures, cooperation enterprises and compensation trade, according to a senior official of the financial institution.

The official, who attended the China investment promotion meeting in Guangzhou, said that the Bank of China is willing to underwrite such projects with working capital loans, accounts receivable financing and fixed asset loans, as well as settlements of accounts and consultant services.

The official reaffirmed the principle of allowing foreign investors to remit net profits after taxes and other legitimate income abroad, in accordance with the regulations for exchange control of the People's Republic of China.

According to the same regulations, foreign workers or staff members employed in joint ventures may remit abroad foreign exchange in an amount not exceeding 50 percent of their net wages and other income after taxes.

Representatives of more than 40 banks in France, Federal Republic of Germany, Italy, Japan, Pakistan, the U.S., as well as foreign banks based in Hong Kong, attended the investment promotion meeting. A number of commercial banks, including the Deutsche Bank of the Federal Republic of Germany, have expressed willingness to provide loans to potential foreign investors and joint ventures.

CHINA DAILY REPORTS BANK OF CHINA ASSETS

HK130037 Beijing CHINA DAILY in English 13 Jun 82 p 2

[Report: "Bank of China Gives Annual Reports"]

[Text] The Bank of China had assets totalling 92.2 billion yuan at the end of 1981, compared to 76 billion at the close of 1980, according to the bank's annual yearbook, which will be published soon.

During 1981, the bank opened a branch in New York and a representative office in Paris, bringing its total number of foreign offices to 22. The Bank of China also has correspondent relations with 2920 offices of 1071 banks abroad.

Loans

The bank's 141 domestic offices extended foreign exchange loans totalling US\$3.87 billion in 1981, of which \$3.61 billion was utilized. Repayments in foreign exchange amounted to \$3.38 billion.

The bank also has RMB 6.2 billion yuan outstanding in loans aimed at increasing production of commodities for export, as well as RMB 530 million yuan extended for other purposes.

By the end of last year, the Bank of China had set up trust and consulting offices at 38 branches, which have already handled 6000 contracts involving an estimated US\$1 billion.

"It may be justifiably said that the trust and consultancy business is gradually developing into one of our main banking businesses," a bank spokesman said.

The Bank of China has also initiated several other new services, including credit card, tourism, securities, and investment services.

FURTHER ON BUILDING MATERIALS INDUSTRY MEETING

OW130423 Beijing XINHUA Domestic Service in Chinese 1242 GMT 12 Jun 82

[Text] Beijing, 12 Jun (XINHUA) -- The national meeting on the building materials industry which ended on 11 June said: The building materials industry in China must strive to create a new situation in achieving better economic results and expanding production promptly so as to keep pace with the development of the national economy and meet the pressing needs of the broad masses for building materials.

During the meeting, a principal responsible comrade of the State Economic Commission listened to the briefing made by a responsible person of the State Bureau of the Building Materials Industry on the meeting and put forward a proposal on how to further quicken the pace in developing the building materials industry.

Zhang Jingfu, state councillor and minister in charge of the State Economic Commission, said: The building materials industry must become the pioneer of the national economy. It is necessary to whip up the enthusiasm of all the departments concerned, particularly that of the building materials departments and nonbuilding materials departments at the central and local level. Particular attention must be paid to bringing into full play the enthusiasm of various localities and the masses in raising funds of their own in developing the building materials industry. The building materials industry must be developed in a flexible way. We must neither demand uniformity in everything, nor exercise excessively rigid control over the industry. We must keep in mind the interests of the state while making adequate allowances for the interests of various localities and enterprises.

He also said it is essential to strengthen leadership over the local enterprises in the production of building materials. The building materials bureaus in various provinces, municipalities and autonomous regions can only be strengthened instead of being weakened.

This national meeting on the building materials industry is the first nationwide meeting on this industry since the restructuring of the State Council. The meeting emphatically discussed how to create a new situation in developing the building materials industry.

The building materials industry is a weak link in the entire national economy in China. There are many contradictions between supply and demand for the great majority of building materials. The supply of such materials falls far short of the needs in quantity, quality and variety. The responsible persons of the building materials departments in various localities who attended the meeting had conscientiously discussed several specific measures on how to create a new situation in the development of the building materials industry. The issues discussed at the meeting include the issue of giving full play to the enthusiasm of all the departments concerned under the unified plans of the state, the issue of finding funds through various channels for the development of the building materials industry, the issue of conducting technical innovations in old plants by adopting advanced technology, techniques and equipment, and the issue of paying full attention to streamlining the enterprises.

The meeting also made specific arrangements for capital construction work for the building materials industry. It decided to pay full attention to the seven projects which are expected to be completed and commissioned within the year. It pointed out: Efforts must be made to quicken the pace in building the three large cement plants under construction -- Jidong, Huaihai and Ningguo -- in an effort to finish the construction projects as soon as possible and improve economic results for the money invested.

XINHUA Commentator

OW130352 Beijing XINHUA Domestic Service in Chinese 1228 GMT 12 Jun 82

[XINHUA commentator's article: "Make the Building Materials Industry One of Vitality"]

[Excerpts] Beijing, 12 Jun (XINHUA) -- Building materials are a means of subsistence as well as a means of production. The speed of development of the building materials industry has a tremendous bearing on a country's national economy and its people's livelihood.

In their recent speeches, CCP Central Committee and State Council leading comrades repeatedly noted the need to make the building materials industry viable and build it into an industry of vitality. This is a very relevant comment.

What will make the building materials industry an industry of vitality? Judging from the present situation, it has to meet at least the following three requirements: 1) It has to be able basically to satisfy the housing needs of the 1 billion people and the need of the four modernizations in the quantity, variety and quality of its products. 2) The policy and methods adopted by the various departments of the industry must be in keeping with the actual situation and proved to be very effective. 3) It must have good economic results and be capable of providing large sums of construction funds to the state.

If we use the aforementioned three points as a gauge, we will find the building materials industry we have now has serious shortcomings. It falls short of needs, whether in quantity, variety or quality. It is estimated that the amount of cement provided the state for distribution is short by several million dun each year. The plate glass available can meet only around 40 percent of the total need. Ceramic sanitation equipment and some of the other building materials are also very difficult to find on the market. The building materials industry has become a particularly weak link in the national economy.

At present, there are nearly 50,000 enterprises in the building materials industry in China. Of these enterprises, only 11 percent are under the ownership by the whole people and 89 percent are owned by collectives. The industry has a total of 3.5 million workers and staff, but only 1.67 million, or less than half of them, are employed by units under the ownership by the whole people. Therefore, we have to know how to skillfully organize and lead the production by the collectively owned building materials enterprise, and mobilize the initiative of the workers and staff of these enterprises because this will have a great impact on the development of this industry. Collective enterprises should be encouraged and guided to produce bricks, tiles, mortar, sand, stones and other such building materials.

The building materials departments should strive to open vast vistas, employ various methods and explore different channels of possible sources to obtain development funds by themselves. For instance, they may make use of bank loans or foreign capital, promote compensatory trade with domestic or foreign customers, obtain credits from buyers, promote joint ventures, and so on. In addition to our efforts to build factories with foreign capital to produce new types of glass and other building materials, enterprises of other industries, including the military industry, should be encouraged and helped to turn out such materials.

Now the country has established the China new-type building materials corporation and is preparing to establish four more corporations, including those of cement, glass and ceramics, and nonmetallic minerals. All of them will be economic entities that combine industry and trade and place production, supply and marketing under unified operation.

In order for the building materials industry to become viable, it is also necessary for leading cadres at all levels in the industry to have a correct guiding thought, really see to it that all work in various fields is geared to the goal of good economic results, and strive to open a new vista of vigorous development.

MEASURES FOR RAISING TRANSPORT CAPACITY OUTLINED

OW110952 Beijing XINHUA in English 0737 GMT 11 Jan 82

[Text] Beijing, June 11 (XINHUA) -- "Double-tracking" and electrification of rail lines, construction of new railways and wharves and dredging of the Grand Canal are among the major measures scheduled to be adopted to improve China's transportation, according to the recent issue of the publication ECONOMIC INFORMATION.

The measures were outlined by Guo Hongtao, adviser to the State Economic Commission, at a recent inaugural meeting of the China Communications and Transportation Association.

Guo Hongtao said that a number of rail lines will have a second set of tracks constructed parallel to existing ones, and electrified to facilitate the transportation of coal from the major producing areas of Shanxi and Henan Provinces and the Ningxia and Inner Mongolia Autonomous Regions.

This work will involve the Beijing-Qinhuangdao railway, Fengtai-Datong railway, Shijiazhuang-Taiyuan railway, Shijiazhuang-Dezhou railway, and Datong-Pukou railway. Sections of the north-south trunk line, the Beijing-Guangzhou railway, and parts of the east-west trunk line, the Longhai railway, will also be double-tracked or electrified.

The other measures to be adopted include:

-- building new wharves and adding shipping fleets to expand Yangtze River navigation and coastal and ocean-going shipping;

-- electrification of the Guizhou-Kunming and other railways in remote southwest China, transforming a few railway sections there and improving navigation along Xijiang River, the major tributary of the Pearl River;

-- starting work this year on dredging the 830-kilometer southern section of the Grand Canal running from Jining in Shandong Province to Hangzhou in Zhejiang Province, with the long-term goal of making the whole section navigable all year round;

-- using larger railway freight cars and larger trucks, and producing refrigerator cars and cars for container traffic;

-- raising the coal dressing capacity which will in turn help ease the tension in the transportation of coal; and

-- increasing the daily flights and passenger carrying capacity of the civil airlines.

RENMIN RIBAO COMMENTATOR ON LITERATURE, ART

HK140825 Beijing RENMIN RIBAO in Chinese 9 Jun 82 p 5

[Commentator's article: "Strive To Portray New Life and New People -- Studying Comrade Mao Zedong's 15 Letters to Literary and Art Circle Figures"]

[Text] When the literary and art circles celebrated the 40th anniversary of the Yanan forum on literature and art, Comrade Mao Zedong's 15 letters to literary and art circle figures and Comrade Chen Yun's article "On the Question of Two Tendencies Among the Party's Literary and Art Workers" were published. The publishing of these two documents is of immediate instructive significance.

Conscientiously studying, understanding and implementing the spirit of these documents will definitely be beneficial to the development of socialist literature and art in the new period and to making literary and artistic creation flourish.

The 15 letters by Comrade Mao Zedong to literary and art circle figures cover a wide sphere and have substantial content. One of the most important points in these letters was the call to and encouragement of writers and artists to portray new world and new people. After regarding Comrade Xiao San's poems, Comrade Mao Zedong pointed out that "works depicting the struggle are needed now, because current life is full of struggle. I hope you can produce more works." After watching a play, reflecting the life of struggle in the enemy's rear areas, put on by the opera troupe of the Eighth Route Army, he pointed out in a letter to Comrade Ouyang Shanzun and other leaders of this troupe: "I believe that you have put on a good play. Yanan and the border areas need to see dramas which can reflect the life of struggle in the enemy's rear areas. It is hoped that you can put on more plays of this kind." In a letter to Comrade Ding Ling and Comrade Ouyang Shan, he made a positive appraisal of their articles introducing two models in the Shanxi-Gansu-Ningxia border area, and said: "Congratulations to both of you on your new writing style." In another letter to Comrade Xiao San, Mao Zedong agreed with Xiao's article on the issue of writers and artists going deep among the masses of workers, peasants and soldiers. He also specially noted that it is necessary to remind a few leading comrades in the party, asking them to create conditions for writers and artists to participate in some meetings of labor models and mass rallies. In a letter to Comrade Shen Yanbing, he provided an inscription -- "It is hoped that more good works can be produced" -- for the first issue of PEOPLE'S LITERATURE. All these form one continuous line with the spirit of Comrade Mao Zedong's speech at the Yanan forum, in which he encouraged writers and artists to plunge into the thick of life and devote efforts to portraying "the new people and the new world."

At present, our country has entered a new epoch of socialist modernization construction. We are building our country into a socialist power with modern industry, modern agriculture, modern national defense and modern science and technology and with highly developed democracy and civilization. When building a highly developed material civilization, we also need to raise the scientific and cultural level of the whole nation, enrich people's cultural life with noble ideology and build a highly developed socialist spiritual civilization. It is necessary to cultivate our people, especially the young generation, with noble ideals and morality and make them well-educated and highly disciplined. In the course of realizing this great historical mission, literature and art should shoulder an important task which no other departments can fulfill.

Our art and literature must actively portray the life of the new people. Social life is the source of all literary and artistic creations. The life of the broad masses is an inexhaustible source of our socialist literary and artistic creation. Our writers and artists should depict this varied and colorful social life. They should pay more attention to portraying the course of people's united struggle to transform the old society and the old ideology and to build the new society and their new life. They should eulogize people's fighting spirit and their great achievements under the leadership of the Communist Party. At present, a small number of writers are keen on portraying the isolated "ego" which is divorced from the masses. Some of them even use literature and art as a means of giving vent to personal spite, exposing shameful secrets and advocating extreme egoism. This practice fundamentally distorts the nature and functions of socialist literature and art. If we let this practice go unchecked, art and literature will be led in a wrong orientation. The ideology of extreme egoism spread by these works can also sully and poison the general mood of our society. Socialist literary and artistic creation is a lofty cause. We should follow Marxist aesthetic principles to develop artistic creation "in accordance with aesthetic laws."

We should make efforts to portray the mental outlook of the socialist new people. In his congratulatory speech on behalf of the party Central Committee and the State Council at the fourth national conference of writers and artists, Comrade Deng Xiaoping pointed out: "Our literature and art should devote greater efforts to depicting and cultivating socialist new people and to striving for greater successes." His words are of far-reaching significance to socialist literature and art. Revolutionary art and literature can and should proceed from actual life; by portraying various characters, educate and influence the masses and help them to push history ahead. In the new period of the socialist modernization drive, thousands and thousands of pioneers are emerging. We should make efforts to depict their new mental outlook and portray these vigorous socialist new people. Through the portrayal of their images, we can arouse the socialist initiative of the broad masses and encourage them to play a creative role in the historical cause of the modernization drive. Since the downfall of the "gang of four," especially since the 3d Plenary Session of the 11th CCP Central Committee, the overwhelming majority of our writers and artists have devoted their efforts to working in the above-mentioned manner. However, a small number of writers have, on the contrary, tried to "probe the secrets of the human soul." They depict some people's abnormal state of mind. In their works, the characters of the people living in the epoch of socialism are totally different from the features of this age. Our standard is communism. We should let a hundred flowers bloom in literary and artistic creation. However, no matter what themes or what character are depicted, we should always apply communist ideals and sentiments and the socialist spirit of our age in the production of our works, so as to educate people and give our works a force to encourage people to forge ahead.

Our writers and artists, especially those inside the party, should bear in mind their responsibility. Comrade Chen Yun has correctly pointed out: "Why do the masses welcome a writer? It is mainly because his works can reflect their feelings. Therefore, a revolutionary writer, a writer who can identify himself with the revolutionary masses, can be welcomed by the revolutionary masses. If someone sees this relationship absolutely and assumes that whatever he writes will surely be accepted by the masses, that is just a terrible misunderstanding. There is no need to say that a writer who runs in a direction opposite to that of the masses, or even a writer who goes in the same direction as the masses but does not advance as fast as them, can be forgotten by them." Comrade Chen Yun also warned that writers and artists inside the party should first regard themselves as common members of the party and not intellectuals; they must be neither privileged nor conceited. We should try hard to be worthy writers and artists of the party.

Making socialist literature and art flourish, raising the level of literature and art, producing excellent literary and artistic works and performing works which are worthy of our great people and our great age are the historical mission of all our writers and artists. We believe that, under the party's leadership, by adhering to the four basic principles, through a conscientious study of Marxism, Leninism and Mao Zedong Thought and through studying society and closely combining with the people in the new era, China's socialist art and literature will inevitably show a new flourishing scene like hundreds of flowers blossoming in a riot of color.

LEADERS CELEBRATE BEIJING THEATER'S ANNIVERSARY

OW120155 Beijing XINHUA Domestic Service in Chinese 1753 GMT 11 Jun 82

[Text] Beijing, 11 Jun (XINHUA) -- A grand party was held on the evening of 11 June to celebrate the 30th anniversary of the Beijing People's Art Theater.

Attending the party were Deng Yingchao, Ulanhu, Wan Li, Xi Zhongxun, Gu Mu, Deng Liqun, Zhou Weizhi, Li Bozhao, Yang Hansheng, Zhou Erfu, Duan Junyi, Jiao Ruoyu and veterans and well-known personages in Beijing's literary, art and theatrical circles. Some 600 people attended in all. They are regular spectators of the Beijing people's art theater.

Speaking at the party, Deng Yingchao said she has been a regular spectator ever since the opening of the theater. She said that Chinese modern drama has in recent years attained a much higher level than ever before, and the artists, old, middle-aged and young, have shown great improvement. The theater has made this progress under the guidance of Chairman Mao's principle of letting a hundred flowers bloom and a hundred schools of thought contend, she added. She said she is fully confident that the study of Chairman Mao's talks at the Yanan literary and art forum and the party's policies on literature and art and the practice of criticism and self-criticism will help the literary and art circles score new achievements.

In his speech Xi Zhongxun, member of the CCP Central Committee's Secretariat, said that the Beijing People's Art Theater has achieved tremendous progress in art over the past 3 decades. Some dramas may create one problem or another, but, in general, dramas presented by the theater are wholesome. He said the theater has done a good job in building a repertoire of historical, foreign and contemporary dramas in line with Chairman Mao's "hundred flowers" principle and the policy of making the past serve the present and foreign things serve China. He urged the artists to continue their efforts in scoring greater achievements and making their fine tradition and performance serve the people and socialism.

Zhao Xun, vice chairman of the Chinese Dramatists' Association, spoke on behalf of the All-China Federation of Literary and Art Circles and the association. He said that in the past 30 years, the Beijing People's Art Theater has created an artistic style acceptable to the broad masses of spectators and contributed greatly to the history of Chinese drama.

XINHUA DESCRIBES 'HOW A CHINESE THEATER WORKS'

OW111910 Beijing XINHUA in English 1836 GMT 11 Jun 82

["How a Chinese Theatre Works" -- XINHUA headline]

[Text] Beijing, June 11 (XINHUA) -- China's leading theater of modern drama today celebrates 30 years of fruitful work of building a classical repertoire, training artists, keeping in step with social conflict and progress and serving the people.

With a staff of 300, the Beijing People's Art Theater is headed by President Cao Yu, a playwright who has half a century's stage experience.

The late Jiao Juyin, an expert in world drama, was the theater's general director until his death in 1975.

On its 30th anniversary, the theatre's Vice President Diao Guang Tan told XINHUA today that the theater will work on more contemporary themes with deeper insight and plans more exchanges with drama troupes from other countries.

An art committee of 30 prominent dramatists decides the repertoire and evaluates performances.

Characterized by superb directing and acting, the theatre has built a repertoire of 156 plays in the last three decades, including the works of Shakespeare, Moliere, Chekhov, Gorky, Ostrovsky and Durrenmatt as well as contemporary Chinese dramatists Guo Moruo, Tian Han, Xia Yan, Yang Hansheng and Ding Xilin.

Critics and audience are unanimous that the theater can be admired for its literary refinement and its ability to capture a national flavor when it comes to Chinese masterpieces. Its presentation of "Teahouse" in Europe in 1980, a debut of Chinese spoken drama in this part of the world, proved to be a success.

Contemporary themes make up 75 percent of the repertoire while historical plays and European classics make up the rest. 25 percent for historical and classic productions is a percentage relatively higher than for most troupes in the country. In a sense the theater has a job to introduce world classics to China.

Four generations of dramatists are working together to build up the fame of the theater. There are veteran members of the "resistance" drama troupes founded by the late Premier Zhou Enlai and Guo Moruo during the war against Japanese aggression, progressives of the 1940s in the Kuomintang controlled areas before liberation, graduates of new China's drama colleges and young people trained by the theater.

All the younger performers are required to continue studies in literature, history, painting, dance, music, and writing. "No stardom here," a member on the art committee said. "We want artists, real artists."

The theater keeps close ties with various circles of drama, music, dance, the fine arts and film studios. Many of the actors and actresses are concurrently teachers at the Central Drama Institute.

In spite of its fame and high quality of work, the theater's tickets are sold at 40, 60, and 80 fen, the same prices as charged by most drama companies. The theater has an average annual income of 150,000 yuan RMB and receives an annual subsidy of 360,000 yuan from the government. The highest pay for performances is about the same as that of a university professor.

The Beijing People's Art Theater has its own theater house, the Capital, with 1,200 seats. With the best acoustics in China, four rehearsal halls and the city's first rotary stage of the 1950s, the theater is often picked by visiting troupes from other lands for performances.

The theater receives an average of 100 new scripts each year. It helps writers who show talent by staging the revised scripts.

Often the theater invites people from the public to preview new productions and solicits their opinions. The artists go to the countryside, factories, schools, shops and army units to observe life. Its latest hit, "Who Is Stronger," about the people's fight against unhealthy tendencies, was the work of one of the theater's writers who spent a half year at Beijing No 2 textile mill and was also the result of opinions from workers and cadres.

BEIJING COMMENTARY URGES IMPROVED FALL HARVEST

OW130500 Beijing Domestic Service in Mandarin 1200 GMT 12 Jun 82

[Station commentary: "Do a Good Job in Fall Production To Reap Bumper Harvests for the Whole Year"]

[Text] Summer harvesting has reached its high point in China. The preliminary situation shows that this year's total summer grain output is close to that of last year and rapeseed production surpasses last year's. This result is hard-earned.

During the growing period of summer grain and oil-bearing crops, droughts persisted and dry and hot winds blew in northern parts of China, while rains and cold spells before April adversely affected the growth of summer crops in southern parts of the country. However, the party's policies have aroused enthusiasm among the broad masses of peasants, agricultural science and technology have tapped the potential of increasing production, and farmland water conservation facilities have helped to combat natural disasters and greatly reduce losses. An important task confronting cadres and people in the vast countryside, after doing a good summer harvesting job, is to continue to exert themselves, overcome difficulties with greater determination and courage, do a good job in fall production and reap bumper harvests for the whole year.

Fall production is the main part of annual agricultural production. Fall grain crops account for two-thirds of total grain crops in terms of both sown area and output. Most industrial crops, such as cotton, oil-bearing crops, sugar crops and tobacco, are harvested in the fall. The success or failure of fall production has an important bearing on the fulfillment of the annual agricultural production plan, on the improvement of people's livelihood and on the smooth progress of national construction as a whole.

We have made some accomplishments in summer harvesting this year, but we have not achieved the desired results yet. This will add to our fall production tasks. Striving for a fairly large increase in fall production is a key to reaping bumper harvests for the whole year. Natural conditions, such as sunshine, water and warmth, are favorable to the growth of crops. However, natural disasters are also very likely during the growing period. Therefore, cadres and commune members in the vast countryside must be prepared ideologically, organizationally and materially to combat natural disasters and adopt measures to win good harvests. Localities where good summer harvests have been gathered should not be blindly optimistic. Localities where summer harvests have decreased should work still harder. From now on, we should do an excellent job in summing up the experience and lessons of local fall production while doing a conscientious job in summer harvesting work. We should take measures to solve specific crucial problems.

Our experience over many years shows that timely early planting and transplanting and early and careful tending may hasten ripening and thus greatly reduce damage done to crops by early frost and cold dew [17th solar term] winds. These methods hold great promise for increasing production. In leading fall production in various localities, we should pay attention to production in high yield regions as well as intermediate and low yield regions. We should help the intermediate and low yield regions to popularize scientific and technological methods that are less costly and yield quick results. We should support those regions in various respects. The intermediate and low yield regions have greater potential for increasing production than the high yield regions. They will make great contributions to the country if their production increases.

A fall bumper harvest concerns the overall national economy. The agricultural departments at all levels and rural communes and production brigades and teams should further improve the system of responsibility and bring into play the initiative of both collectives and individuals. All trades and professions should provide active and effective support to agriculture within their capabilities. Let us work hard together to win bumper agricultural harvests this year.

GUANGDONG ORDERS IMPROVING RURAL ENTERPRISES

HK100425 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 9 Jun 82

[Text] The Guangdong Provincial CCP Committee and Government recently issued instructions on straightening out commune and brigade enterprises, demanding that party committees and government at all levels and the departments concerned strengthen leadership and strive to straighten out all commune and brigade enterprises in rural Guangdong within 2 or 3 years.

The instructions fully affirmed the important position and role of the commune and brigade enterprises in the national economy. The instructions pointed out: The aim of straightening out these enterprises is to make them better meet the needs of the new situation, eliminate negative factors, bring the positive ones into play, further consolidate and improve the enterprises and ensure that they firmly follow the socialist road and develop still more healthily. It is necessary to deal severely with violations of law and discipline, and help to solve various practical problems. We must certainly not interpret straightening out the commune and brigade enterprises as limiting their development.

In light of conditions in Guangdong, the province should concentrate on grasping the following issues in straightening out the commune and brigade enterprises: readjust the pattern of the enterprises and their product mix; straighten out their management; and improve their economic returns, with current emphasis on straightening out finances. It is necessary to deal severely with cases of corruption, embezzlement and bribery, recover sums of money long owed by units and personnel concerned, and take stock of tax arrears. It is necessary to press repayment of state loans that are due, set up strict financial and economic accounting systems, correct unhealthy trends, and hit at serious economic crime. It is necessary to rectify the leadership groups.

NANFANG RIBAO ON SPECIAL ECONOMIC ZONE STRATEGY

HK091501 Guangzhou NANFANG RIBAO in Chinese 7 Jun 82 p 4

["Ideological Front" article by Sun Ru [1327 1332]: "A Discourse on the Significance and Role of the Special Economic Zones From the Aspect of Strategic Aims"]

[Text] The experiment of the establishment of the special economic zones has already been carried out in Guangdong for more than 2 years. During this period of time, we have realized through practice that by establishing the special economic zones we have achieved certain results in utilizing foreign capital, introducing technology and learning from the experiences of scientific management and that the special economic zones can play a positive role in promoting the socialist modernization of our country. In this article, I will discuss the significance and role of the special economic zones solely from the aspect of our strategic aims.

Regarding the problem of socialist construction, some comrades have upheld for a long time a "leftist" view. They only see the opposition and antagonism between the socialist and the capitalist economic systems, but fail to realize another aspect of the situation, that is, that economically, all the countries in the world are related to one another. As a result, they think that the only economic relationship between socialist countries and capitalist countries is international trade and that besides this, there should not be any further economic relationships or cooperation; otherwise, socialism will be infected by the pestilence of capitalism and this will lead to the restoration of capitalism. This view was especially in vogue during the decade of turmoil. At that time, the mere mention of external economic relationships and cooperation was regarded as an offense and would have been punished by labeling people as "worshipping and having blind faith in things foreign" and "upholding the philosophy of slaves." This practice muddled people's minds and made them wrongly treat the "closed-door" policy as an orthodox Marxist policy. In fact, this "closed-door" policy does not conform to the basic principle of Marxism.

A socialist country is not an isolated island. In the world, every country forms a part of the world system consisting of many countries and the world economy is an integrated entity consisting of the mutually related and mutually dependent economies of many countries. All the countries are inevitably related to one another in various aspects, no matter what economic systems they adopt and no matter whether they are economically developed or underdeveloped. It is a basic viewpoint of Marxism-Leninism that the socialist economy is never severed from the capitalist economy. It is not feasible to sever the one from the other by means of the "closed-door" policy and this policy will only hinder the development of the socialist economy.

When human society develops from one mode to another new higher mode, the new mode takes shape and develops from the economic basis of the previous mode of society. Therefore, between any new society and the old society that the new one has originated from, there will inevitably be a relationship of succession and criticism. A socialist society is established on the powerful material basis created by the capitalist society. It will criticize and abolish the unreasonable relations of production of the capitalist system, that is, the private ownership of the means of production and the system of wage labor. However, the socialist society should inherit and develop the tremendous productive force that has been created by the capitalist society and should also inherit and develop socialized mass production, and the advanced technology and experiences of scientific administration and management that have taken shape in the capitalist society.

According to what Marx and Engels foresaw, the socialist revolution would first achieve victory in a few developed capitalist countries, and these countries would use the tremendous productive force and the socialized mass production they had already achieved in building up a new communist society. However, in the course of the history of the world proletarian revolution, owing to the uneven development of capitalism when it entered the stage of imperialism and owing to the differences in the revolutionary strength of the proletariat and the proletarian parties in various countries, the countries where the proletariat first achieved victories in revolution and established socialist social systems were not the highly developed capitalist countries, but the countries where the small-scale peasant economy was prevalent and where there were not the powerful material basis of the capitalist economy. The proletariat in these countries are obliged to utilize the tremendous productive force, the advanced technology and the scientific methods of management and administration that have already been developed in the national economic systems of the modern world, including the strength of the capitalist countries, in order to build up and develop their socialist economy.

In leading the socialist revolution and construction of the Soviet Union in the initial period, Lenin had already stressed the utilization of foreign capital. He raised the idea that the Soviet regime had to carry out economic cooperation with "the advanced financial capital of the advanced countries." He further pointed out that if they were not good at drawing in foreign capital, this would "show their lack of the spirit of seeking truth from facts in handling their economy." ("Collected Works of Lenin," vol 32, p 291) There is nothing to be apprehensive of if a socialist country draws support from foreign capital in order to develop its economy and build socialism, or if it allows capitalist enterprises to exist under the supervision and guidance of the socialist state. As long as we keep our minds sober, as long as we firmly maintain the political and economic sovereignty in the hands of the socialist state and as long as we restrict the economic support we draw from foreign capital within certain limits, there will be no risk of the degeneration of socialist society. At present the total area of the three special economic zones that have been established in Guangdong on a trial basis is less than 350 square kilometers. Whatever experiments we make in these special economic zones are only local events in a very small area. They will never have any dangerous impact on our socialist line.

The CCP Central Committee has decided to establish special economic zones on a trial basis in Guangdong and Fujian Provinces. In my opinion, this decision is aimed at delimiting a few zones stretching over a certain number of kilometers in places where there are appropriate conditions and carrying out more pragmatic policies and more flexible measures in these zones than in other areas.

Thus these zones will become special managerial zones where various kinds of experiments will be carried out in order to more vigorously focus on attracting foreign capital and in order to carry out economic cooperation of various forms with foreign, Overseas Chinese and Hong Kong and Macao compatriots' capital. By so doing, the special zones will be able to make quicker progress than other areas in their socialist construction. At present opinions on and evaluation of the trial establishment of the special economic zones differ widely and people's understanding of the significance and role of these zones also differs.

In evaluating the role of the special economic zones, we can usually sum up the following five advantages: first, utilizing foreign capital and introducing advanced technology; second, introducing the scientific administrative and management methods from abroad as reference; third, earning more foreign exchange for the state; fourth, providing more job opportunities; and fifth, training technical and management personnel.

Some people would say that since we can achieve the above-mentioned five points by carrying out various forms of external economic cooperation outside the special economic zones, why should we establish the special economic zones? This is a question worth considering and answering. My opinion is that the trial establishment of the special economic zones is of strategic significance and we should understand this by taking into account their impact on the whole situation of the four modernizations of our country. Only when we understand the significance and role of the special economic zones that we have established on a trial basis from the aspect of their strategic significance will we be able to unite our thinking, heighten our confidence and, at the same time, remain sober-minded. Thus we will be able to steadfastly carry out the CCP Central Committee's policy decision and do a good job of establishing the special economic zones. Judging from our national conditions, the establishment of the special economic zones is of strategic significance in at least the following three respects:

First, we can use these areas to concentrate our efforts on more quickly attracting a greater amount of foreign investment and earning more foreign exchange. These zones will serve as bridges in intensively introducing advanced technology and as classrooms for training sophisticated technical personnel and learning scientific administrative and managerial methods.

The special economic zones in our country have merely been initially established. Foreign businessmen have just begun to invest in these zones and many enterprises are still under construction and have not been put into operation. However, during the period from 1979 to the end of 1981 the special economic zone in Shenzhen municipality alone drew in 85.2 percent of the total HK\$1.2 billion foreign investment that the municipality drew in. The special economic zone there increased its income of foreign exchange in 1981 by 44.5 percent over 1978. About 16 percent of this foreign exchange was earned from its foreign trade and about 84 percent of the income of foreign exchange came from nontrade sources (including processing charges, wages and lease of land). The foreign exchange earned from tourism in 1981 was 4.8 times that in 1979. Judging from the initial situation of investment in the Shekou industrial zone, more than HK\$400 million of foreign capital has been drawn in. This means that every acre of land has drawn in \$345,000, on the average. From the simple figures of our initial statistics, we can see the future trend of the development of the special economic zones and the great capacity of the special economic zones in drawing in foreign capital and earning foreign exchange.

Second, the special economic zones will contribute to the whole country through making experiments in the overall reform of the system (including the reform of the system of economic management and the reform of the administrative structure) and in learning modern management techniques.

As the special economic zones have many special features of their own, the central authorities have granted these zones greater decisionmaking power and is allowing them to be free from the fetters of many regulations and conventions. This has enabled them to be independent from the existing system and to break away from the force of habit. Thus these zones are in a better position to open up new paths for the system reform of the whole country under the premise of adhering to the four basic principles.

As the special economic zones in our country have merely been initially established, the above-mentioned tasks can only be regarded as the strategic goals that we should strive to achieve in the future. However, in building up the special zones and in formulating the administrative and managerial methods of some of the enterprises that have already been put into operation, a series of methods have been invented to break away from the old set of management systems, and these methods have already brought about remarkable results. Take the construction of the Shekou industrial zone, for example; it has been carried out quickly, and good results have been achieved with the cooperation of foreign investment. Some of the experiences that we have gained in these zones are valuable reference for us.

Since they have handed down their power to the department for introducing commerce, they have set up as management organs a general office, the office of the chief engineer, the office of the chief accountant and 13 specialized corporations. Each of these corporations has its independent accounting system and is responsible of its own profits and losses. The matters related to the transactions of these corporations are decided by the boards of directors and the managers employed by the boards in these corporations. With such a system, they have broken away from the practice of inflating their office structure by employing excessive numbers of redundant personnel and the practice of shifting responsibility from one to another that is a common occurrence elsewhere in our country. Thus they have greatly raised their work efficiency.

They have acted in accordance with economic laws and have adopted economic means and scientific methods to carry out their construction and manage their economy. They have eliminated the system of the "iron rice bowl" and the system of "eating out of a big pot." They have conducted experiments in recruiting cadres by public examinations and selecting staff and workers according to the results of their study when they were students. They have also been experimenting in employing staff and workers on contracts and have reformed their wage system in order to gradually transform their wage system into the system of fixing wages according to the nature of the positions of the staff and workers.

In carrying out their construction, they first formulated a general plan for the whole zone and then began implementing the general plan by carrying out the fundamental projects (that is, starting the construction by roads, water supply facilities, electric power installations, a sewage system and telecommunications system and leveling land for construction). Thus they have created favorable conditions for foreign businessmen to invest there. They have formulated and promulgated various kinds of decrees and regulations and preferential treatment to safeguard the legitimate interests of foreign capital. In dealing with foreign businessmen, they respect contracts and have paid attention to keeping their promises. They have energetically drawn in foreign capital and introduced the advanced technology that is suited to our needs. The above is called the "Shekou-type" of experience. In fact, this provides us with an epitome of the future construction of the whole Shenzhen Special Economic Zone.

Third, these special zones will serve as an experiment under the socialist system with a special kind of modern city, in which diversified economic factors coexist. This experiment will play a positive role in winning over Taiwan to return to the motherland. Judging by the nature of the various enterprises there, the special economic zones in our country, especially the comprehensive special economic zones like Shenzhen, are cities where diversified economic factors coexist. Moreover, these cities will be the modern cities that will be built up with very little investment by the state and chiefly by relying on foreign investment and the local revenue of these zones. Judging by the experiences that we have gained in the past 3 years, in order to build up these modern cities, we must take the state-run economy of a socialist nature as the mainstay and use various economic levers to exercise our leadership over the market in our special economic zones. Moreover, the state-run banks in the special economic zones will play an important guiding role. We may allow foreign banks to operate in the special economic zones, but the state-run banks must maintain their leadership over the banking activities there.

As the construction of the special economic zones relies mainly on drawing in foreign capital, in these zones there will be a large proportion of joint venture enterprises of Chinese and foreign capital (including the corporations with joint-share capital and the joint venture enterprises that have been set up with contracts for cooperation) and a fairly large proportion of enterprises that are solely owned by foreign businessmen (including Overseas Chinese, and Hong Kong and Macao businessmen). The joint venture enterprises with Chinese and foreign capital are national capitalist in nature. The enterprises that are solely owned by foreign businessmen are themselves capitalist enterprises by nature. But these enterprises are different from typical capitalist enterprises, for they exist under a proletarian state power; they have to accept the management of the government of the special economic zones, and though their legitimate interests will be protected, their scope of operation should be governed by the government of our country. In this sense, they are special kinds of capitalist enterprises that are governed and managed by the proletarian state and are to a certain extent national capitalist in nature. Inside the special economic zones, we should also allow collective and individual enterprises to engage in commerce and service trade.

Thus each special economic zone will become a special kind of modern city where diversified economic factors coexist under the administration of the socialist sovereign state. Success in building up this kind of modern city will play an important role in winning Taiwan back to the motherland. Therefore, we must do a good job of building up cities in special economic zones.

HENAN PARTY SECRETARY ON NEED TO STUDY MARXISM

HK070717 Zhengzhou Henan Provincial Service in Mandarin 1130 GMT 4 Jun 82

[Text] The No 2, 1982 issue of the journal ZHENGZHOU carried an article by Comrade Han Jingcao, secretary of the Henan Provincial CCP Committee, entitled "We Must Attach a High Degree of Importance to Study of Marxism." In his article, Comrade Han Jingcao said: "We are living in a great new historic era. The building of socialist modernization demands us to give priority to study of Marxism-Leninism-Mao Zedong Thought, so as to improve the party's understanding of Marxism-Leninism. We must note that the remnants of feudalism still exist in society (also inside the party), that we have not thoroughly overcome bourgeois ideology and liberalization tendencies, and that the influence of petit bourgeois ideology still exists. We have not completely eliminated unhealthy practices such as bureaucratism, seeking personal privileges and "entering by the back door." Some cadres still have a muddled idea of ideological theory and the existing principles and policies of the party. Thus, the task of ideological and political education is still very arduous. Therefore, under the leadership of the CCP Central Committee, we must build socialist material and spiritual civilization. Only by taking Marxism-Leninism-Mao Zedong Thought as a guiding principle and by unifying the thinking of the whole party, the army and the people of all nationalities can we march triumphantly along the socialist track wholeheartedly and spare no effort.

Comrade Han Jingcao pointed out in his article that the building of socialist modernization is an extremely great and arduous cause, particularly in a big country like ours where the population is large, the situation is complicated and the economy and culture is relatively backward. Thus, we must proceed from the actual situation of our country and open up a way for the building of a Chinese-style socialist modernization. This is by no means an easy task. In front of us is a large realm of necessity which we have not explored and a large number of new situations and new problems that we are required to study and solve under the guidance of Marxism-Leninism-Mao Zedong Thought. As a matter of fact, the saying that science and technology is a key to realizing the modernization of industry, agriculture, national defense, and science and technology and that education is the foundation is absolutely correct. However, only by adopting a Marxist stand to study the specific situation can we stipulate some practical policies and principles that are derived from the actual situation in accordance with the objective law of the development of things. If we make mistakes in this regard and deviate from the correct orientation, we can do practically nothing. As regards the building of socialist spiritual civilization, the guidance of Marxist-Leninist theories is even more necessary.

The key to socialist spiritual civilization is communism. Therefore, the basic task in the building of socialist spiritual civilization is to educate people with Marxism-Leninism-Mao Zedong Thought.

To conclude, Comrade Han Jingcao said: "In short, in the new historical era, the whole party must attach importance to theoretical work, strengthen cadres' theoretical study and use Marxism-Leninism-Mao Zedong Thought to train thousands and millions of cadres who are both Red and expert. This is an important matter of strategic significance. We must adopt a series of effective measures to mobilize and organize the broad masses of cadres to bring forward the practice of integrating theory with practice, and arduously study Marxist philosophy, political economy, and scientific socialism. We must also study history, particularly modern Chinese history, and the important documents of the party and unfold a new upsurge in studies. Let us have a study competition in the whole party, see who has really learned something, who has studied well and who has made more contributions to the building of socialist material and spiritual civilization.

HUNAN DISCUSSES URBAN WORK, ADMINISTRATION

Work Conference Ends

HK031436 Changsha Hunan Provincial Service in Mandarin 1100 GMT 2 Jun 82

[Summary] The Hunan provincial conference on urban work which lasted 6 days concluded in Changsha yesterday. The conference put forth that it is necessary to mobilize the forces of all quarters to improve social order, morality, the general mood of society, traffic order, urban appearance and sanitation and the quality of service in all urban areas throughout the province within the next several years. This conference was sponsored by the provincial people's government. At the conference, the representatives studied the important written instructions and comments of leading comrades of the central authorities, discussed and revised the instructions of the provincial CCP committee and the provincial government on strengthening urban management and examined the situation of implementing last year's instructions of the provincial CCP committee and the provincial government on strengthening the building of small urban areas. Representatives from Xiangtan municipality and the Yueyang administrative commissioner's office introduced their experiences. Responsible comrades of the provincial CCP committee, the provincial people's congress standing committee and the provincial government, including Sun Guozhi, Liu Fusheng, Cao Wenju and Kong Anmin, attended the conference and delivered important speeches.

The conference pointed out: "The key to administering urban areas well lies in leadership. Leaders at all levels must fully understand the importance and urgency of strengthening urban management. We must greatly change the guiding ideology in urban work. We must change 'attaching less importance to administration but more to construction' into 'grasping construction on the one hand and grasping administration on the other.'" The conference stressed: "To do well in urban management, we must persist in the principle of linking centralization and unification with administration at each government level, allocate manpower, financial resources, powers and duties to districts and neighborhoods and give full play to the active role of districts, neighborhoods and neighborhood committees in urban management."

The conference held: "Striving to improve urban public facilities is a material condition for doing well in urban management. Leaders at all levels must grasp the most salient problems which affect urban management and solve them one by one by stages and in groups." The conference also pointed out: "To do well in urban management, it is necessary to fully mobilize and rely on the masses and have a strong and vigorous specialized management force. It is essential to reinforce and enhance the strength of this force, enhance its social status and strengthen its training. Universally conducting education in social morality and the legal system and tidying up social order is a long-term and important task of urban management. We must conduct education in communist morality for the people and penetratingly and persistently launch the 'five stresses and four beauties' campaign. When the masses' ideology and awareness is heightened and they spontaneously uphold and observe social order, a guarantee for urban management will be realized."

Commentary on Urban Management

HK031450 Changsha Hunan Provincial Service in Mandarin 1100 GMT 2 Jun 82

[Station commentary: "Make the Greatest Efforts To Administer Urban Areas Well"]

[Excerpts] An urban area is the political, cultural and economic center of a given area. As early as the eve of the liberation of the whole country, Comrade Mao Zedong pointed out that it is necessary to make the greatest efforts to learn to administer and build urban areas. For a long time, under the leftist influence, the tendency of attaching more importance to production but less to livelihood and more to construction but less to management existed in urban work in our province, resulting in a serious imbalance between flesh and blood. Environmental sanitation was poor, social order was chaotic and the quality of service was poor. Over the last few years, although we have begun to pay attention to grasping urban management, we have not done this work sufficiently. At present, the CCP Central Committee has called on us to penetratingly and persistently embark on the building of socialist material civilization and spiritual civilization. If urban management work is still not done sufficiently, the building of the two civilizations will be only empty talk. Therefore, strengthening urban management has become an urgent task which confronts us and must be grasped.

The key to doing well in urban management lies in leadership and in the understanding and determination of leaders. CCP committees and governments at all levels, particularly urban CCP committees and governments, must correctly handle the relationship between production and construction and urban management. Developing production and enlivening the economy is the central task of an urban area. However, we cannot attach importance only to production in disregard of management, even to the extent that we grasp only production and not management. Production and construction and urban management supplement each other. Construction is the foundation of management and conversely, management consolidates and develops the results of construction.

We must see that the masses have a very strong desire for urban management. If we do not seriously grasp it, we will certainly be divorced from the masses and it will affect the prestige of the party and the government. Therefore, leaders at all levels must make great changes in the guiding ideology. They must change attaching more importance to construction but less to management into grasping construction on the one hand and management on the other. To do well in urban management, we must have a certain material foundation and have the necessary urban road facilities and equipment. At present, our country's financial resources are limited and it cannot appropriate more money to embark on urban construction. We cannot solve all problems in a short period. However, we must recognize that we have not done what can be done and we have spent on other work the funds which should have been spent on urban public facilities. If this situation is not changed, our work apparently cannot be done well. We hope that leading comrades at all levels will go to all major streets and small lanes to have a look, have a talk with grassroots cadres and seek the masses' views and demands. As long as leaders at all levels are determined to grasp this work, they will certainly find all kinds of effective methods. Urban management is the affair of thousands and thousands of people. People must be relied on to administer the people's urban areas.

BEIJING HOLDS SEVENTH MUNICIPAL CYL CONGRESS

OW100449 Beijing XINHUA Domestic Service in Chinese 1435 GMT 9 Jun 82

[Text] Beijing, 9 Jun (XINHUA) -- The Beijing Municipal CYL Congress opened on 9 June. Jiao Ruoyu, second secretary of the Beijing Municipal CCP Committee, stressed at the congress that the Communist Youth League must forever hold aloft the banner of communism, valiantly stand at the forefront of the era and form a courageous shock brigade to build the socialist motherland.

Attending the congress were 931 delegates. The congress will earnestly sum up the work of the league in the whole city, put forward the future task, and elect the 7th municipal CYL committee and the deputies who will attend the 11th national CYL congress.

Jiao Ruoyu greeted the delegates attending the congress on behalf of the Beijing Municipal CYL Committee. In his speech, he pointed out: The most fundamental task before the people in the city is to concentrate efforts in earnestly carrying out the four-point instruction issued by the CCP Central Committee Secretariat on building the capital and in accordance with the plans of the Beijing Municipal CCP Committee, and to strive to turn Beijing into a first class world city and build China in a highly democratic and civilized, modern and powerful, strong socialist nation. This is also the glorious task for all the CYL members and the young people in Beijing.

Jiao Ruoyu said: To fulfill this task, it is necessary to adhere to a firm and correct political orientation, foster the lofty ideals of communism, uphold the four basic principles in a clear-cut manner, combat bourgeois ideas, feudalism remnants and the bourgeois lifestyle, and steadfastly march forward along the socialist road. He expressed his relief that the young people in the capital would definitely live up to the expectations of the party and people and score fresh achievements in developing material and spiritual civilization in the capital.

Attending today's opening ceremony were First Secretary Han Ying and Secretary Liu Weiming of the CYL Central Committee; and leading comrades of the Beijing Municipal CCP Committee Duan Junyi, Jia Tingsan, Zhao Pengfei, Chen Xitong, Ye Lin, Wang Chun, Liu Daosheng and others.

BEIJING MEETING ON IDEOLOGICAL WORK FOR GRADUATES

HK100914 Beijing City Service in Mandarin 2300 GMT 3 Jun 82

[Text] Institutions of higher learning in Beijing have strengthened ideological education by various means for graduates who were admitted in 1978. A recent survey conducted by some of them shows that more students this year expressed their willingness to answer the party's call and accept the state's assignments than in the previous year.

This year, more than 28,900 students will graduate from 68 institutions of higher learning in Beijing. In light of the ideological characteristics of the graduates and on the basis of summing up the ideological work for graduates last year, the institutions of higher learning started early to grasp ideological education for students who were admitted in 1978. Beijing University invited (Li Yanjie), a lecturer of Beijing Normal College, to deliver a report to the graduates, instructing them to adopt a revolutionary attitude toward life and happiness. Excellent results have been achieved. Through visits or letters to the graduates' parents, the institutions of higher learning convinced the parents to do ideological work for the graduates. Some of them invited revolutionary forerunners to make reports on revolutionary traditions, thereby achieving remarkable results in educating the graduates. According to a recent survey in some institutions of higher learning conducted by a department concerned, the overwhelming majority of the graduates expressed their willingness to accept the jobs assigned to them.

The meeting on ideological work for graduates of institutions of higher learning in Beijing which concluded 2 June further discussed and studied the ideological conditions of the graduates. The meeting stressed: It is necessary to continuously strengthen ideological work for graduates, so that they will correctly establish the idea of "three orientations," which means going to the forefront of production, going to the rural basic-level units and going to the border areas. The meeting also specially stressed: In doing the work of assigning jobs to graduates, it is necessary to handle matters impartially, to refrain from practicing favoritism and to resolutely prevent and resist the unhealthy tendencies of securing advantages through pull or influence and showing concern by deviating from the principle.

Vice Mayor Bai Yiefu attended the meeting on 2 June and spoke, calling on all institutions of higher learning to mobilize the graduates to take up posts in middle and primary schools so as to reinforce the ranks of middle and primary school teachers.

BEIJING WANGBAO ON CONCERN FOR OPERA COMPOSERS

HK090745 Beijing WANGBAO in Chinese 18 May 82 p 3

[Article by Wei Lanbo [7614 5695 3134]: "Be Concerned for Opera Librettists"]

[Text] Recently, I was informed by friends in the field of opera that while some opera troupes are experiencing a "shortage of librettos", other librettists have changed their profession to writing novels and reporting literature. Such a contradictory situation deserves our attention.

As a comprehensive art, opera is watched and appreciated by the audience through the performance of the actors. As far as readability is concerned, opera librettos are quite different from other literary works. The audience usually value an opera directly through their feeling for the performance. The actors are first of all praised when the audience is moved. With such a tradition for many years, there exist in this field the so-called "renowned actors" and "factions of performing arts." Often the audience is deeply impressed by the vivid characters of the cast in the opera after watching the performance. No attention is given to the librettists. It is, therefore, a usual phenomenon that when an opera becomes more popular and actors more famous the librettist still remains unknown to the public. Especially with those operas which have been adapted and rearranged, it is more difficult for people to know the names of the original librettists. Take the modern opera "The Plaint of Yang Sanjie" as an example, which has been on stage for quite a long time. Few opera fans do not know this drama and few of them do not appreciate the performance of Zhao Lirong and Gu Wenyue. Nevertheless, few of them would know the original librettist Chen Shaochai. Very often there appears in the title page of many published operas the honorary labels of famous actors: "Repertoire of so-and-so". As for the names of the librettists, unfortunately, they are usually omitted or forgotten. That means when an opera becomes popular and is rewarded with a prize for its merits, the librettist usually receives no share in the success; whereas when an opera is criticized for its faults, the librettist inevitably becomes the first target of criticism and repudiation. Does such an unfair treatment lead to a passive effect? I think it does.

Besides, the librettists have several other things to worry about. One is the difficulty in getting the opera published as there are few opera magazines. The other is that it is still difficult for an opera to be performed on the stage and watched by the audience. The "doctrine of connections" is still playing its role in some performing units. Many good operas are neglected due to the lack of the right connections.

As far as this field is concerned, the film scriptwriter and stage scriptwriter are better rewarded than opera librettists. The reward of an opera librettist is usually lower than that of a film or stage scriptwriter.

All this reflects some inconsistencies in the "relationship" of opera production, thus weakening to some extent the consolidation and stability of opera personnel, and harming the prosperity of opera creation. Naturally, many aspects are involved when improvements are to be made and it is impossible for them to be accomplished all at once. Nevertheless, we are bound to find some easier ones to start with. For instance, some commemorative activities have been held in recent years in memory of the performing artists. Can we hold some commemorative activities as well for those famous librettists so as to extol their merits and draw the attention of the society to their hard work?

IMPROVEMENT OF QINHUANGDAO PORT PROMOTED

HK110223 Beijing CHINA DAILY in English 11 Jun 82 p 3

[By staff reporter]

[Text] Improvements have brought Qinhuangdao port the third greatest volume of traffic in the country, after Shanghai and Dalian, Sun Guozu of the harbour administration told CHINA DAILY.

This port on the Bohai Sea offers a larger capacity for taking in and discharging cargo than the railway. Last year 26.5 million tons of cargo passed through the port.

Gu Mu, former vice premier and now state councillor, has visited the port three times to help speed renovation work, and now Qinhuangdao handles more coal exports than any other ports in China. It handles 15 million tons of out going coal a year, 83.3 percent is for export, mainly to Japan. The rest goes to south and East China.

Japan is now investing in the building of two more berths and will be repaid with coal. As a natural good harbour, it can handle 40,000-ton vessels and will be able to admit vessels of more than 50,000 tons by the end of 1984 when the first stage building project is completed. This will increase by 10 million tons, Sun said. Two new berths for 50,000-ton coal freighters are under construction as the second stage of the project begins.

The port was once named Kailun, because it served mainly to transport the coal from Tangshan's Kailuan collieries in Hebei Province. Now it has been changed into a comprehensive port with 10,000 dockers and 12 large berths, and is known as the estuary for sending out Chinese energy resources. Its oil wharf extends a [word indistinct]. Each of its three mechanized wharves has a loading capacity of 20,000 tons of coal per ship in less than four hours.

Qinhuangdao, a peninsula named after the first emperor of the Qin Dynasty (221 B.C.), extends 10 kilometres eastward from its starting point at the Great Wall, Shanhaiguan. Its neighbour to the west is the famous summer resort, Beidaihe. The port was built in 1903 by the British to exploit Chinese coal resources. It loaded and unloaded 230,000 tons of coal a year. Sun expects railway electrification soon to satisfy the port's growing requirements.

SHANXI'S HUO SHILIAN ON MOUNTAIN AREA PRODUCTION

HK110421 Taiyuan SHANXI RIBAO in Chinese 3 Jun 82 p 1

[Report: "Comrade Huo Shilian Discusses Great Schemes With Cadres at all Levels in Mountainous Southwestern Shanxi for Promoting Production and Speeding Up Economic Development in Mountain Areas"]

[Text] Shanxi Provincial CCP Committee First Secretary Huo Shilian recently went to mountainous southwestern Shanxi to conduct investigation and study. He discussed great schemes with cadres at the county, commune, brigade and team levels for promoting construction in the mountain areas and improving economic results in order to help the mountain areas speed up the pace of developing production.

In his current investigation, Comrade Huo Shilian visited 13 counties in mountainous southwestern Shanxi, such as Jiaokou, Yonghe, Liulin and Xiangning and inspected some production teams, forestry centers and grazing lands. Cullies crisscross these counties where the hills and mountains are bare. There is drought for 9 out of 10 years. The loss of water and soil is serious and every year an enormous amount of silt pours into the Huang River. Since the 3rd Plenary Session of the 11th CCP Central Committee, these counties have scored significant achievements in production and have succeeded in solving the food problem, which had not been solved for many years in the past. However, the problem of adequate grain production has not been solved yet and the income of the masses is still rather low. Comrade Huo Shilian pointed out to the various county CCP committees and cadres at the grassroots level: in building the mountain areas, it is necessary to put the problem of soil in the first place, tackle the problems concerning soil, water and forests in a comprehensive way and combine long-term construction with the current production. At present it is also necessary to engage in capital construction of water conservancy works, pay close attention to agriculture, do a good job of grain production and, at the same time, vigorously develop forestry and animal husbandry. In water conservancy works, it is necessary to draw on the previous lessons, rely on our own efforts, adjust measures to the local conditions, utilize little springs and streams and develop small water conservancy work at very low cost but with very good effect. In farmland capital construction, efforts should be concentrated on repairing ditches, building embankments and planting crops to preserve the fertility of the soil and its capacity for conserving water. We must achieve the target of building 2 mu of land with high and stable yields for each person. The per capita grain production should be raised to 800 jin, including grain ration, seeds and fodder. With the prerequisite of improved grain production, efforts should be made to give up the cultivated lands on the mountain slopes and grow trees and grass on them in order to develop forestry and animal husbandry and to shift the focal point of production to the state where forestry and animal husbandry play the primary role.

Since the founding of the PRC, considerable developments have been made in forestry in mountainous southwestern Shanxi, but the income from forestry is still very low, accounting for only a few percent of the total agricultural income. Comrade Huo Shilian said to the cadres in various counties: "In afforestation we should pay attention to the percentage of forest cover and economic value. That is to say, it is necessary not only to expand the size of forest cover, improve the ecological environment, regulate weather and conserve water and soil but also to reap economic benefit and greatly increase the economic income of the masses in a short time." He pointed out: At present, the most important task is to go in for growing seedlings in a big way in order to supply sufficient quantities, great varieties and excellent breeds of seedlings. In afforestation, it is necessary to achieve the following: First, planting trees on barren hills should go hand in hand with planting trees along roads and rivers and around villages and houses. The natural conditions along roads and rivers and around villages and houses are relatively good. Planting trees in these places needs little investment and the trees planted grow easily and quickly.

It is first of all necessary to afforest the places along roads and rivers and around villages and houses. Second, the medium-, short- and long-term plans for growing trees should go hand in hand. It is necessary to grow trees that take several decades to reap profit, to grow trees that take more than 10 years to reap profit and to grow trees that take only a few years to reap profit, supporting the long-term plan with the short-term one. Third, growing trees should go hand in hand with growing shrubs. On the dry hillsides where trees cannot grow easily, we can plant shrubs such as Ningtiao [2899 2742] and Culiu [6818 2692] in order to conserve water and soil and then gradually plant trees among the shrubs. This not only can speed up the pace of afforestation but can also provide wicker for weaving purposes in 3-4 years. This is favorable to the development of sideline occupations and also to the development of animal husbandry for it can provide a certain amount of leaves as fodder for cattle and sheep.

In Xi County, Comrade Huo Shilian inspected the beef cattle farm of Wucheng production brigade in Wucheng commune. Last year the farm had an income of more than 9,000 yuan by selling to the state 19 excellent breed beef cattle raised for only 1 and 1/2 years, an average of 500 yuan a head. He pointed out: In developing animal husbandry, it is necessary to actively grow top-quality grass, mass-produce highly nutritious fodder and raise more grass-eating livestock. At the same time it is also necessary to attach importance to the improvement of breeds, actively develop fine breeds and try hard to obtain more livestock products with the same amount of forage grass and fodder. It is necessary to protect and develop fine local livestock breeds but the old habits that have grown over many years in the past must be changed in order to improve the breeds of cattle, sheep and rabbits, which have high consumption and which supply very few commodities and replace them with imported fine breeds. In raising cattle we should raise draft cattle and a large number of beef cattle. In raising sheep we should raise fine-wool sheep and in raising rabbits we should raise hair-producing rabbits in order to reap profit from wool, hair and meat.

After enquiring into the plans for building the mountain areas and developing the economy of Jiaokou County and other localities, Comrade Huo Shilian said: When working out plans for developing production in the mountain areas, it is necessary to conduct investigation and study, thoroughly understand the overall situation, overcome blindness in action and improve scientific nature in order to effectively exploit and utilize indigenous resources. In dealing with nature, it is necessary to act according to natural laws. Owing to differences in the physical features and general configuration of the earth's surface, there are differences in soil, sunlight, temperature and rainfall. In working out a plan, it is necessary to study and sum up typical experiences but the model example should not be used to represent the overall situation. There are very great differences between the overall situation and the model example. If, in working out a plan for a county or a commune, we go by the various data of the model example, we shall be divorced from reality and act blindly in building the mountain areas, getting half the results with twice the effort. Therefore, in working out a plan, it is necessary to go to every commune, brigade, gully and hilly area to investigate nature and the production of plants including farm crops, forests and grass and grasp the various natural and production data in various areas in order to choose the best plan in the light of the local conditions and arrange in an all-round way the long- and short-term plans for developing the production of agriculture, forestry and animal husbandry. The targets of the plan must be reliable and we must allow for unforeseen circumstances. The measures must be realistic and strong. Once we have a plan we should act according to the plan and strive to attain good results. Even if the leaders have been changed we also should not rashly change our plan.

SHANXI GOVERNOR AT ANTI-AIR DEFENSE MEETING

HK100905 Taiyuan SHANXI RIBAO in Chinese 30 May 82 p 1

[Report: "Provincial People's Anti-air Defense Committee Holds Enlarged Meeting"]

[Text] In order to further implement the spirit of the national anti-air defense work conference and in order to analyze the basic conditions in the anti-air defense work of our province and preserve and improve the results of anti-air defense construction, the provincial people's anti-air defense committee held an enlarged meeting in Taiyuan from 23 to 25 May. Second secretary of the provincial CCP committee, governor of the province and chairman of the provincial people's anti-air defense committee, Luo Guibo, presided over the meeting and gave a speech.

The meeting was of the opinion that during the past few years the tasks of antiair defense construction in the province have been fulfilled in a fairly satisfactory manner and the quality of the projects that have been completed meets, in the main, the designed requirements. These good results have been achieved because the party committees at all levels have attached importance to and strengthened their leadership over this work and because they have conscientiously implemented the policy of the CCP Central Committee, the State Council and the Military Commission of the CCP Central Committee on antiair defense and war preparation construction which demands that this construction should be carried out "under unified overall planning and in the manner of focusing on a few key projects, paying attention to the completion of projects that will be able to be used both in war time and in peace time and giving first priority to ensuring the quality of construction." It is also because they have carried out widespread propaganda and education, made necessary preparations to create the financial and material basis for construction and adopted specific measures to strengthen the scientific research work on project designs, to exercise strict quality control and to vigorously pay attention to promoting the progress of all projects by grasping the work of typical projects. Their efforts to enable the projects to be used both in war time and in peace time have already brought about certain economic results and the net profits that have been gained by utilizing these projects have totaled more than 490,000 yuan. The meeting has pointed out that on the whole the antiair defense work in our province has achieved good results, but it has also been confronted with a few problems. The major problems are the unreasonable layout of some projects, the slow progress of the construction of projects that can be used both in war time and in peace time, the insufficient amount of area that we have constructed, the low utilization rate and the lack of competent specialized antiair defense personnel.

On the basis of confirming the achievements, summing up the experiences and finding out where our work has fallen short of requirements, the meeting has made a conscientious study of the long-term plans and specific measures for antiair defense construction in our province. It has pointed out that we should carry on what we have already achieved and continue to carry out in a planned and orderly manner, the construction of the antiair defense projects that can be used both in war time and in peace time and we should consolidate and reform the projects that we have already completed to form them into a well-coordinated antiair defense system so as to be better prepared for war. We should strengthen the antiair defense and war preparation construction in our key cities. We should perfect the command organs of the antiair defense system and carry out widespread propaganda and education in being prepared for war. We should also conscientiously do a good job of antiair defense scientific research, do a good job of taking care of construction materials and goods and do a good job of all other work.

In his speech, Comrade Lu Guibo repeatedly stressed the significance of continuing to do antiair defense and war preparation work satisfactorily. He said that the construction of antiair defense projects is a long-term strategic task of the whole party, the whole country and the whole people. Therefore, we should raise our understanding of its significance, heighten our sense of war preparedness, overcome a false sense of peace and security and laxity in our work and soundly fulfill this task as satisfactorily as we can under the present economic conditions. He has also stressed that we should make full use of the antiair defense projects in peace time and combine the construction of antiair defense projects with our civil construction and economic construction. We should concentrate our limited amount of funds on the projects we are in most urgent need of and focus on key projects. In so doing we should pay special attention to satisfactorily carrying out the construction of the antiair defense projects that can be used both in war time and in peace time in our key cities and strive to maximize the economic effect of these projects. The party committees at all levels should vigorously intensify their work in building up the ranks of cadres that are specialized in antiair defense. The broad ranks of antiair defense cadres should pluck up their spirit, conscientiously fulfill their duties and perform their responsibility, and work hard in order to carry out the antiair defense and war preparation construction in our province more satisfactorily.

HEILONGJIANG RESHUFFLES GOVERNMENT OFFICIALS

SK120820 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 11 Jun 82

[Text] According to our sources, with the approval of the State Council and at the request of the Heilongjiang provincial people's government, the fifth provincial people's congress standing committee convened a meeting to approve 17 changes in government officials.

The meeting has approved the following appointments: Hou Jie is instated concurrently as chairman of the provincial import and export administrative committee; (Gong Benyan) is instated as chairman of the provincial economic committee; (Yang Yusheng), director of the agricultural office under the provincial people's government; (Xiao Chong), chairman of the provincial capital construction committee; (Chen Da), director of the provincial personnel bureau; (Yu Jinghe), director of the provincial petrochemical industry bureau; (Wang Lizhong), director of the provincial environment protection bureau; (Wang Xinpu), director of the provincial people's air defense office; and (Li Xixiang), director of the provincial supply and marketing cooperative.

The meeting has also approved the following dismissals:

(Li Guang) is dismissed from his concurrent post of chairman of the provincial economic committee; Wang Caoli, from concurrent post as director of the agricultural office under the provincial people's government; (Zhang Lin), from director of the provincial capital construction office; (Wang Lizhong), from director of the provincial petrochemical industry bureau; (Wang Sinpu), from director of the provincial environment protection bureau; (He Shoulun), from director of the provincial supply and marketing cooperative; and (Du Yechao), from director of the provincial foreign trade bureau.

HEILONGJIANG'S YANG YICHEN RECEIVES OPERA PERFORMERS

SK100307 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 8 Jun 82

[Excerpts] According to HEILONGJIANG RIBAO, on the evening of 9 June leading comrades of the Provincial CCP committee, including Yang Yichen, Ki Lian, Chen Lei, Chen Junsheng, Zhao Dezun, Wang Yilun, Chen Jianfei, Wang Luming, (Wang Fei), Chen Yuanzhi and Zhao Xingyuan, received at the culture palace of the Harbin Municipal Second Light Industrial Bureau performers in the provincial Longjiang experimental opera troupe. The troupe returned highly praised from the first report-back performances in Beijing.

These leading comrades congratulated the artists on their successful performances and urged them to work to create this new type of local opera as a starting point to enable our literary and art work and performances to have distinctive local features.

Comrade Yang Yichen said: The reason the Longjiang opera is welcomed by the people is that this new drama has a strong local flavor. A leading comrade of the provincial CCP committee said: in the future we should view all new plays and operas, particularly modern drama, created in our province. He also hoped that our province's literary and art works would become prosperous as quickly as possible. Having received the performers, the leading comrades and over 1,000 people in the audience viewed a new historical opera.

JILIN HOLDS CONFERENCE ON COLLECTIVE ECONOMY

SK090930 Changchun Jilin Provincial Service in Mandarin 2200 GMT 8 Jun 82

[Text] According to our correspondent (Zhang Jingquan), after a 40 day session, a work conference sponsored by the Jilin Provincial CCP Committee and the provincial people's government on developing collective economy to arrange jobs for urban youths awaiting work concluded in Changchun on 8 June.

The conference noted: Since the 3d Plenary Session of the 11th CCP Central Committee, the province has arranged jobs for 930,000 urban people, representing 81.4 percent of the jobless throughout the province. This is a remarkable achievement.

The conference noted: the province's future work in arranging jobs for urban jobless people remains heavy. In recent years, the province has annually arranged jobs for about 350,000 urban jobless people. To fulfill this task, a good job should be done in grasping the following four works:

1. It is necessary to widely and penetratingly disseminate and implement the several decisions of the CCP Central Committee and the State Council in regard to opening more production avenues to stimulate the economy and solve urban employment problems. Efforts should be made to foster firm guiding thought that only by developing the economy can we deal with employment problems and adopt active measures to readjust the structure of industries and ownership and to vigorously develop collectively and individually owned business in urban areas.
2. It is necessary to continuously readjust policy in this regard and implement the policy in a down-to-earth manner. Concerned departments should do away as soon as possible with the regulations which are suspected of discriminating against and imposing restrictions on collectively and individually owned business as well as puncturing and gobbling them up. They should draw up policies or measures to guide, encourage and support the development of collectively and individually owned business.
3. It is necessary to reorganize newly established collective firms or enterprises, readjust projects in production and service, improve overall arrangement in setting up production and service network and centers and upgrade economic returns by following the principle of permitting voluntary combination, assuming sole responsibility for their profits and losses, conducting distribution according to work and upholding democratic management.
4. It is necessary to strengthen leadership over the work and place the work to develop collective firms or enterprises on the work schedule of departments in charge of economic affairs under the people's governments. These departments should do a good job in administration among newly established collective firms and enterprises as well as they have cared for state enterprises and collective enterprises run by units at or above country and district levels.

CHEN BEICHEN IDENTIFIED AS NEW LIAONING GOVERNOR

SK140016 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 13 Jun 82

[Text] On the morning of 12 June, the CYL Committee under the Liaoning Provincial People's Government level organs sponsored a commendation meeting of advanced units and individuals who had emerged in the all-people decorum and courtesy month campaign and the campaign to learn from Lei Feng. The meeting conferred advanced titles on 28 units including the CYL committee under the provincial public security department and 53 individuals, including (Li Xiaoguang) from the provincial machine building bureau.

Chen Beichen, governor of the province, attended and addressed the meeting. In his speech, he urged the broad masses of youths under the provincial level organs to set examples for youths throughout the province in fostering far-reaching ideals, exerting efforts to study politics and cultural knowledge and doing their work in a down-to-earth manner. Efforts should be made to become new successors full of ideals, morality and cultural knowledge and to abide by discipline.

LIAONING HOLDS RALLY OF ADVANCED WORKERS

SK090750 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 8 Jun 82

[Text] The provincial rally of advanced collectives, producers and workers and model laborers ceremoniously opened this morning at the Liaoning people's theater in Shenyang. Attending the rally were representatives of advanced collectives on the agricultural front in various localities and model laborer and advanced producers and workers of units of industry and communications, capital construction, finance and trade, sciences and technology, culture and education and political science and law, totalling 1,500 people. They all happily attended the rally with red flowers on their clothes and with new achievements in the modernization drive.

Invited to attend the rally were excellent commanders and fighters of the provincial military district, representatives of the people's militia, veteran model workers with tremendous merits and achievements and representatives of those who are outstanding in building spiritual civilization. Also attending the rally on invitation were comrades Han Jian and Chen Changjie, excellent athletes who scored brilliant achievements in carrying off the first prize at the 12th International Thomas Cup badminton championships.

Attending today's rally and seated on the rostrum were Li Desheng, member of the political bureau of the CCP central committee and commander of the Shenyang PLA units; Liao Hansheng, political commissar of the Shenyang PLA units; Li Huang, permanent secretary of the provincial CCP committee and chairman of the provincial people's congress standing committee; Xu Shaofu, Shen Yue, Zhang Zhengde, Zhang Xincun and Li Tao, secretaries of the provincial CCP committee; Wang Guangzhong, (Chen Yiguang), Zhang Tiejun, Luo Dingfeng, and (Qui Meiging), permanent members of the provincial CCP committee; Wang Kuncheng, Zhang Qingtai, Zhao Shi, Liu Wen, Lou Erkan, Xiao Zuohan, Fu Zhonghai, Tang Hongguang and Gu Jingxin, vice chairmen of the provincial people's congress standing committee; Xie Huangtian, Zhao Qi, Wang Jiyuan, Zhang Zhiyuan, Zuo Kun, Li Guixian and Peng Xiangsong, deputy governors of the province; (Wang Xinhua), advisor of the provincial people's government; (Qi Changan), secretary general of the provincial people's government; and Chen Enfeng, Liu Baotian, Chen Fang and Lu Guangji, vice chairmen of the provincial CPPCC committee. Also seated on rostrum were 26 model laborers including (Hu Yuxi), (Chen Huojun), (Wang Chengzhen), (Zhao Chengshun), (Xiao Fangyun), (Li Shouwen), (Qin Fenglan), (Tang Renyuan) and (Mao Zisheng). The rally was presided over by Comrade Wang Guangzhong, permanent member of the provincial CCP committee and deputy provincial governor.

After the young pioneers presented a congratulatory message to the rally, Comrade (Qin Hai), deputy secretary of the provincial CYL committee, also made a congratulatory speech at the rally on behalf of the provincial trade union council, the provincial women's federation, the provincial CYL committee, the provincial scientific and technological association, the provincial federation of literary and art circles and the provincial federation of overseas chinese. They expressed warm congratulations to the rally and extended their highest considerations to model laborers and advanced producers and workers who have made great contributions to the modernization drive on various fronts.

Comrade Shen Yue, secretary of the provincial CCP committee, spoke at this morning's rally. He urged people throughout the province to take advance and model persons as an example, enhance their spirit and go all out to work with one heart and mind so make greater contributions to achieving successes in all 1982 tasks and opening up a new aspect for the province.

Rally Concludes

SK110735 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 10 Jun 82

[Excerpts] According to our reporters, the provincial rally of outstanding workers concluded this afternoon after a 3-day session.

The closing ceremony was presided over by Zhu Chuan, standing committee member of the provincial CCP committee and deputy governor of the province.

Li Huang, permanent secretary of the provincial CCP committee, made an important speech at the closing ceremony. On behalf of the provincial CCP committee and the provincial people's government, he extended congratulations and respects to comrades who earned the honorable titles of model workers, advanced producers, advanced units and advanced workers. He also congratulated the rally for its success.

In his speech, he set forth the future tasks and made hearty wishes and demands on the advanced persons and units.

At the closing ceremony, representatives issued a letter of proposals to comrades of all fronts in the province.

Attending the closing ceremony were responsible persons of the provincial CCP committee, the provincial people's congress, the provincial people's government, the provincial CPPCC committee, the Shenyang PLA units, and departments concerned including Li Desheng, Liao Hansheng, Li Huang, Huang Qudong, Xu Shaofu, Shen Yue, Zhang Zhengde, Zhang Xincun, Wang Guangzhong, Zhu Chuan, (Chen Yiguang), Zhang Tiejun, Luo Dingfeng, (Qiu Meiben), Wang Kuncheng, Zhang Qingtai, Zhao Shi, Liu Wen, Lou Erkang, Xiao Zuohan, Fu Zhonghai, Gu Jingxin, Chen Beichen, Xie Huangtian, Tan Liren, Zhao Qi, Peng Xiangsong, (Wang Xinhua), Chen Enfeng, Liu Baotian, Chen Fang, Lu Guangji, (Xu Changan) and (Chen Hai).

BRIEFS

HEILONGJIANG DROUGHT -- Since mid-May Heilongjiang Province has suffered from continuous high temperatures and low precipitation. Over 35 million mu of lands in the province have been hit by drought in varying degrees. From mid-May to the end of May, the province's average precipitation was 16 millimeters, 53 percent below normal. In early June, the precipitation was less than 5 millimeters, about 100 percent below normal. The average temperature in May was about a half degree higher than usual. In June, it was 1 to 2 degrees higher than usual. With frequent winds, the soil moisture in 55 counties is reduced to less than 20 percent. The soil moisture content in eight counties in the southwestern area is reduced to less than 10 percent. Heavy rains which could ease the drought in the province will not come until late June. [Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 12 Jun 82 SK]

JILIN DROUGHT -- Commodity grain producing areas in central Jilin have suffered serious drought since the spring sowing. In the Changchun suburbs and Shuangyang, Nongan, Jiutai, Yitong, Huaide and Dongfeng Counties, some rivers and ponds are dry. Underground water levels have dropped substantially. As of 10 June, 7.55 million mu of farmland had been replanted. [Changchun Jilin Provincial Service in Mandarin 1100 GMT 11 Jun 82 SK]

LIAONING COAL OUTPUT -- Liaoning collieries whose products are subject to the state's unified distribution turned out 2.55 million tons of raw coal in May and overfulfilled their monthly production plan by 57,000 tons, surpassing the figure of the same month of 1981 by 10 percent. [Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 5 Jun 82 SK]

SHAANXI'S MA WENRUI AT NATIONALITY WORK MEETING

HK111341 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 11 Jun 82

[Text] From 4 to 10 June the Shaanxi Provincial Nationalities Affairs Committee held the second enlarged meeting of its members. The meeting stressed: It is necessary to strengthen leadership over nationalities work, and actively support minority nationalities to develop their economy and strengthen the unity of all nationalities. The meeting conveyed the spirit of the second enlarged meeting of the members of the State Nationalities Affairs Commission, reviewed and summed up the situation of the nationalities work in our province and arranged for future work and tasks. It studied and discussed the draft of the revised constitution and announced the namelist of the second provincial nationalities affairs committee.

During the meeting, leading comrades of the provincial CCP committee, the provincial people's congress standing committee and the provincial government, including Ma Wenrui and Yu Mingtao, met all participants in the meeting and had photos taken with all of them.

Our province is an area inhabited here and there by minority nationalities. There are now 42 minority nationalities comprising some 160,000 people. Since the founding of the country, our province has, on the whole, achieved very great results in nationalities work. However, in the 10 years' turmoil, nationalities work was interfered with very greatly. Since the smashing of the gang of four, particularly since the 3d Plenary Session of the 11th CCP Central Committee, the correct principle and policy of the party on nationalities work have been gradually restored. Under the leadership of CCP committees and governments at all levels, nationalities work in our province has been gradually carried out. Now, minority nationalities' right of equality has been guaranteed, their economy and culture have developed, people's livelihood has improved and the unity among all nationalities has been constantly strengthened. The enthusiasm of the cadres and the masses of minority nationalities has been further inspired, and they have made necessary contributions in all aspects of construction.

Provincial CCP Committee Secretary Zhou Yaguang, provincial people's congress standing committee Vice Chairman Sun Zuobin and Vice Governor Li Lianbi attended and spoke, one after another. In their speech, they stressed: It is essential for leading comrades at every level to enhance their ideological understanding of nationalities work, include nationalities work on their agenda, regularly study and examine this work and promptly solve problems which occur. They emphasized: We must regard supporting minority nationalities to develop their economy as an essential issue of future nationalities work. We must strengthen the unity of all nationalities and resolutely eliminate big-nationality chauvinism and local-nationality chauvinism.

SHAANXI'S MA WENRUI INSPECTS FARMWORK IN XIAN

HK111401 Xian Shaanxi Provincial Service in Mandarin 0500 GMT 11 Jun 82

[Summary] "Yesterday afternoon, leading comrades, including provincial CCP Committee First Secretary Ma Wenrui, provincial CCP Committee Secretary Xie Huaide, provincial CCP committee standing committee member (Zhu Ping) and Xian municipal CCP Committee Secretary (Shao Wuxuan), went to Yuhua brigade, Yuhua commune, Yanta District in Xian municipality to take a look at the situation of mechanized wheat harvesting and autumn crop sowing. After brigade party general branch Secretary (Guo Shiyong) briefly introduced the situation, leading comrades, including Ma Wenrui, carefully watched a Xinjiang 2.5-type grain combine harvester reaping and threshing wheat on a field and the situation of mechanized maize sowing. They also inspected the growth of cotton." On the spot of reaping, Ma Wenrui also went up to the combine harvester to inspect its operation in the course of reaping.

Leading comrades of the province and the municipality also encouraged the cadres and the commune members present on the scene, saying: "Your brigade has done well. We hope that you will continue to make efforts to make further improvements."

XINJINANG'S WANG ENMAO SPEAKS TO MINORITY YOUTH

HK100221 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 8 Jun 82

[Summary] A minority youth group from Xinjiang Autonomous Region has recently paid a 2-month visit to Beijing, Shanghai, Nanjing, Suzhou, Hangzhou and other municipalities to broaden their vision. It returned back to Urumzi on 5 June.

On 6 June all members of the minority youth group were met by Wang Enmao, first secretary of the regional CCP committee; Ismail Amat, secretary of the regional CCP committee and chairman of the regional government; Tomur Dawamat, secretary of the regional CCP committee and chairman of the regional people's congress standing committee and other responsible comrades.

During the meeting, Comrade Wang Enmao called on the minority youths to play their part at their posts and work hard to bring the regional economy and culture level with those of the advanced regions of the country.

Comrade Wang Enmao said: The visit you made is a most rewarding one. You have seen and learned a lot from those areas of the country which are greatly developed in the fields of economy and culture. What will you do after your return to your own posts? First of all, you must publicize what you learned during the visit: the unity of all nationalities, the union of the motherland and the excellent situation in the socialist modernization drive. You must publicize that the socialist modernization drive can be ensured of victory only under the leadership of the CCP and with the unity of all nationalities of our country. Secondly, the youth on various fronts must do your own work well and make more contributions to the four modernizations. Thirdly, you must unite as one with the PLA and the Xinjiang production and construction corps so as to do a good job in militia work and build up a joint army-civilian defense force with a view to safeguarding the borders of the motherland.

Comrade Wang Enmao pointed out: "The political and economic situation in the whole country is excellent, as is the situation in our region. But in comparison with the advanced areas of our country, the Xinjiang Autonomous Region still lags behind in some respects. We must learn from these advanced areas their good experiences so as to build our region into a flourishing region." He said: "Most of you are from rural and pastoral areas. Before the Cultural Revolution, I suggested building 'five-good' rural and pastoral areas. Since I took my post again in Xinjiang, I have reiterated my suggestion. The 'five-goods' are to build good paddy fields, good channels, good roads, good shelter belts and good residential estates. Our Xinjiang has its own traits and advantages and we must give full play to our own advantages. We probably couldn't stand a comparison with other interior areas of our country in urban construction. However, if we can make achievements in building the 'five-goods' in the rural and pastoral areas, then these areas will take on a new look and compare favorably with the rural and pastoral areas in the other interior areas of our country. When that time comes, the youth in those areas will probably come to visit our region."

CHEN MUHUA TALKS TO PRESS ON FOREIGN INVESTMENT

HK091142 Hong Kong WEN WEI PO in Chinese 9 Jun 82 p 3

[Telephone dispatch from correspondents in Guangzhou: "Chen Muhua Holds Press Conference in Guangzhou"]

[Text] At a press conference today, State Councillor and Minister of Foreign Economic Relations and Trade Chen Muhua formally announced that 130 projects, constituting part of the Sixth 5-Year Plan, are being discussed at the China investment promotion meeting. Therefore, regardless of whether they concern investment, materials, transportation or marketing, these projects will have the guarantee of the state plan.

Chen Muhua said: There are two main points in our "Sixth 5-Year" Plan. First is the technical transformation of a portion of nearly 400,000 existing enterprises by stages and in groups, so that their economic benefit can be more fully brought into play. Second is the concentration of fixed financial and material resources for the construction of some new key projects, especially in the fields of energy development, communications and building materials. The 130 projects put forward deal mostly with the technical transformation of the manufacturing industry as well as other industries, such as cement plants in the field of building materials. All these precisely embody the above two main points.

Chen Muhua said: Because we do not have enough funds, we must therefore make use of foreign investment in the Sixth 5-Year Plan. In this respect China is serious as well as careful. China will abide by four principles in the use of foreign investment. First, China must be able to obtain loans, or loans which foreign businessmen are willing to put up on a voluntary basis. Second, the loans must be beneficial to our side, and naturally, also beneficial to the other side. This is based on the principle of equality and mutual benefit. Third, China must be able to make proper use of the funds so that the role of the loans can be brought into play. In other words, the projects must be selected properly to make them produce good economic results. Fourth, China must have the ability to repay. There is a saying: Repayment of a loan will make future loans easier.

Chen Muhua also discussed China's attitude toward the utilization of various forms of foreign investment. She stated that at the present stage China tends to favor direct investment because this form of investment is connected with specific projects. The 130 projects under discussion this time basically all belonged to this category. In this way, more comprehensive consideration will be given by both sides regarding technical, market and repayment conditions. This form will be extensively adopted in the future. There will not be much use for loans of a commercial nature, since the interest rate is too high and we cannot afford it. However, if the condition is advantageous to us, and if the banks are willing and we can afford it, we will also consider their use. At present, friends of the banking circles are very eager to help us and are willing to supply us with credit guarantees. We are very grateful to them. If some of the enterprises need loans in the future and if they are also willing to supply credit guarantees, then the commercial banks can also bring their positive role into play.

In discussing how the Ministry of Foreign Economic Relations and Trade will implement the special policies of the Central Committee regarding the special economic zones, the provinces of Guangdong and Fujian and the provinces and cities along the coast which started ahead of the others in the series of open-door policies, Chen Muhua gave assurances that the policy of the Ministry of Foreign Economic Relations and Trade will only be more beneficial and suitable to them and that the former measures adopted by them will continue in force. The Ministry of Foreign Economic Relations and Trade will not interfere with them.

Chen Muhua also said that in order to keep abreast of foreign economic activities, the Ministry of Foreign Economic Relations and Trade must also improve its efficiency. She said that the merger of two ministries and commissions has been completed at present, and that this is a horizontal merger.

With regard to the vertical aspect, the administrative structures will be reduced and a responsibility system will be set up. At present, the restructuring is only being carried out at the ministerial level, but it will also be carried out at the corporate level in the future. Chen Muhua also listed examples to explain how work efficiency has improved following the restructuring of administrative organs. She said that formerly a single matter was administered by four departments and the export of a commodity had to go through two departments. If the matter concerned the import of technology, it required more time to go through the departments. Now, it only has to go through a single department and efficiency is greatly improved. Another example: In the past, the same matter was administered by four departments and coordination often could not be achieved because each department had its own way of looking at a thing. In this way, the matter had to be referred to the vice ministers of the State Council for coordination. This is why there were so many vice premiers and an extraordinary number of meetings. Now, the four departments have been integrated and many matters need no longer go through the State Council for coordination, but can be settled by a meeting of the minister and deputy ministers. Under this kind of situation, the State Council has cut the number of vice premiers from 13 to 2, and efficiency is greatly improved.

TA KUNG PAO REVIEWS USE OF FOREIGN INVESTMENT

HK140241 Hong Kong TA KUNG PAO in Chinese 13 Jun 82 p 1

[Special feature by Tung Kai: "New Trends in China's Use of Foreign Investment"]

[Text] While carrying out the four modernizations, China makes no attempt to conceal the difficulties of lack of funds and technology. Lack of funds is the first difficulty. If China has funds, it can naturally buy technology and facilities. Therefore, actively using foreign investment is the central link of China's present efforts to carry out economic cooperation with foreign countries. In recent years, China has done a lot in using foreign investment and achieved marked results in this respect. After summing up the experience of the work of using foreign investment in these few years, we have found out not only the gradual progress of the work, but also some trends and peculiarities.

Two Aspects of Use of Foreign Investment

In order to use foreign investment, China has exerted its efforts in the following two aspects: First, procuring loans from foreign countries; second, encouraging foreign businessmen to make direct investments in China. First of all, let us make a simple analysis of China's efforts to procure loans from foreign countries:

Last year China obtained government-to-government loans on favorable terms amounting to \$2.4 billion. The Chinese Government signed agreements with the International Bank for Reconstruction and Development on two occasions for \$200 million loans which were used for development projects involving 26 colleges and universities throughout the country. According to the agreements, the loans were divided into \$100 million hard loans and \$100 million soft loans. The interest rate of hard loans was 9.6 percent and the time limit for repayment was 20 years, whereas the soft loans were interest free and the time limit for repayment was 50 years. The service charge for soft loans was only 0.75 percent. The generous time limit for both hard and soft loans was 5 and 10 years respectively. The International Fund for Agricultural Development also reached credit agreements with China. It provided China with loans of \$35 million for the development of grasslands and animal husbandry in north China. Every year, China has to pay 1 percent commission and 0.5 percent service charges. The International Monetary Fund also reached agreements with the Chinese Government on unsecured loans and trust fund loans totalling \$931 million. The interest rates for both loans were 6.2 and 0.5 percent respectively and the time limit for their repayment was 3 years with an option for extending to 5 years.

The Amount of Loans in Past Few Years Totals Over \$10 Billion

Last year the Japanese Government provided the Daqing Petrochemical Works and Baoshan Iron and Steel Works in China with loans of \$1.33 billion. These loans were granted by the Japanese Overseas Cooperative Fund, the Japanese Export and Import Bank and other nongovernmental Japanese banks. The time limit for repayment of these loans is comparatively long and the interest rate is fairly low.

These were all the main loans that China obtained from foreign countries in 1981. Reviewing the loan history of recent years, we still remember that starting from 1978, China entrusted the Bank of China to sign 19 buyers' credit agreements amounting to \$13.48 billion with the banks and financial organizations from 11 countries, namely, England, France, Italy, Canada, Sweden, Australia, Belgium, Norway, Argentina, West Germany and the United States. Together with other credit agreements in various forms, the total amount of loans has reached \$17.3 billion. What merits our attention is that in 1981 China only signed credit agreements with three American banks, such as the U.S. Import and Export Bank, and the amount of credit -- \$64 million -- was the smallest among those buyer's credit agreements.

Three Trends in Procuring Foreign Loans

From the above situation, it is not difficult for us to discern three trends in China's efforts to procure foreign loans.

1. China has obtained loans from many organizations. Over the past few years, China has persistently exerted its efforts to open up a path for international economic development and initial success has been scored. The Chinese Government has established specific credit business with international financial organizations such as the International Bank for Reconstruction and Development, the International Fund for Agricultural Development, the International Monetary Fund, and others. It has also formed credit relations with Japan, Kuwait, and so forth. It is reported that China is now negotiating with more countries in a bid to establish credit relations. The Bank of China has established a great number of credit relations with foreign banks and financial organizations. It has established buyer's credit relations with more than 10 foreign banks and financial organizations and signed buyer's credit contracts with about 20 similar organizations. This trend will develop as the path for international economic cooperation is continuously expanding.

2. There are many and varied forms of credits. International credits are carried out in many and varied forms. With China's increasing involvement in international economic life and the enrichment of its experience in this respect, there are many and varied credit forms to gradually suit the needs of the changing situation. Since last year in particular, China has procured more government-to-government loans and various kinds of development funds. It has succeeded in its experiments in utilizing petrodollars. It has been decided through consultation with Kuwait that China will utilize the \$100 million loans provided by the Arabian Economic Development Fund of Kuwait. The China International Trust and Investment Corporation has also initiated a new form which has never been used before: early this year, it issued private company bonds of 10 billion yen in Japan.

3. China has been more selective in using foreign loans. Since there are more and more organizations providing China with loans and many and varied credit forms have been adopted, China is now able to choose the best form of loans. It can conscientiously study the sources of foreign loans and credit terms and compare them so as to obtain the most favorable credit terms. Judging from the foreign loans which China obtained last year, we know that they were mostly medium- and long-term loans with medium and low interest rates. The number of general commercial credits was limited. The units concerned have made an analysis and comparison of the foreign loans obtained last year and found out that about 61 percent of them were loans on favorable terms.

Marching Toward a Mature Stage

After making an initial analysis of the above situation, we can see the following things very clearly: First, China is adopting a prudent policy for using foreign investment and that it is neither drawing back or retreating. After the changing of the national conditions of closing the country to international intercourse, things have taken on a new aspect in China. China has achieved initial experience and is marching toward a mature stage. Second, China's main method for using foreign capital is to encourage direct investments which have been carried out on an unprecedented scale. New progress has been scored in using foreign capital to develop various enterprises. These are the general trends of economic development.

REN ZHONGYI SAYS ECONOMIC ZONES NEED STUDY

HK140557 Hong Kong TA KUNG PAO in Chinese 14 Jun 82 p 1

[Special dispatch: "Ren Zhongyi Says Question of Whether Special Zones Can Turn Into Colonies Should Be Studied"]

[Text] Shenzhen, 13 June -- Early this morning, Guangdong Provincial CCP Committee First Secretary Ren Zhongyi, provincial CCP Committee Secretary and provincial Special Economic Zone Administrative Committee Director Wu Nansheng and Shenzhen Mayor Liang Xiang called on the homes of the delegates to the symposium on Guangdong provincial special economic zones and had a cordial talk with them. They also stayed for a while at the home of Xu Xuehan, research fellow of the Economic Research Institute of the Chinese Academy of Social Sciences.

Ren Zhongyi said: "The builders of special economic zones welcome theoretical workers because the building of special zones badly needs theoretical guidance. Some people engaged in practical work have done their work correctly but they are unable to come up with any convincing argument. They are unable to give a clear explanation even when they have made mistakes in their work. This explains the great importance of theory. It is necessary to raise practice to a theoretical plane and combine theory with practice."

Ren Zhongyi said: "If the orientation is correct, the construction can develop with irresistible force. The theoretical workers are welcome to conduct more investigation and study and help approach and expound the important questions which have been raised in the course of practice and which need to be answered. In running special economic zones as an experiment, some people are worried that they will turn into colonies. We should make a conscientious study so that we can run the special zones well without turning them into colonies. We should have this confidence."

Today is the last day of the symposium. Ren Zhongyi asked provincial CCP committee Deputy Secretary-General Zhang Hanqing to extend greetings to all the delegates at the meeting. Ren Zhongyi left Shenzhen for Zhuhai special zone this evening to inspect the work there.

CORRECTION TO WEI YUMING SPEECH ON INVESTMENT

The following correction should be made in the item headlined "Text of Wei Yuming Speech to Investment Meeting," published in the 10 June DAILY REPORT, page W 1:

Paragraph two, from line eight should read: "second, endeavoring to obtain medium- and long-term loans at low or medium interests rates and various exploration and development funds from foreign governments and international financial organizations...."

END OF

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